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# Report for Congress

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## **NATO Applicant States: A Status Report**

**Updated April 25, 2003**

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## **ABSTRACT**

Nine central and eastern European nations are seeking an invitation to join the North Atlantic Treaty Organization (NATO) at the November 2002 NATO summit: Albania, Bulgaria, Estonia, Latvia, Lithuania, Macedonia, Romania, Slovakia, and Slovenia. There are general guidelines for evaluating nations seeking NATO membership; however, these guidelines are not a checklist that, when completed, would automatically guarantee membership. NATO members decide on the basis of consensus whether the admission of a state will serve the interests of the Alliance and promote European security and stability. This report, which was compiled from memoranda prepared in January 1999 at the request of former Senator William Roth, contains brief assessments of the NATO applicants' qualifications. The report was updated in April 2003.

# NATO Applicant States: A Status Report

## Summary

At the November 21-22, 2002 NATO summit in Prague, the allies invited Bulgaria, Estonia, Latvia, Lithuania, Romania, Slovakia, and Slovenia to join NATO. Albania, Croatia, and Macedonia, which were also seeking NATO membership, were not invited, but were encouraged to continue their reform efforts. They were assured that more countries will be invited to join NATO in the future. The seven countries invited at Prague signed protocols of accession to the Alliance on March 26, 2003. They will join NATO after the protocols are ratified by the parliaments of each of the 19 current NATO member states. President Bush submitted the protocols of accession to the Senate on April 10, 2003. According to Senate Foreign Relations Committee Chairman Senator Richard Lugar, the Senate may consider the protocols as early as the week of May 5, 2003.

NATO has no established criteria for accepting new members; accession of new members is ultimately a political decision made by alliance members. Article 10 of the North Atlantic Treaty states that alliance parties may invite “any other European state in a position to further the principles of this Treaty and to contribute to the security of the North Atlantic area to accede to the Treaty.”

A 1995 NATO Study on Enlargement presented general guidelines for use by NATO member governments in evaluating the suitability of nations seeking NATO membership. Candidates must have free market economies and democratic political systems based on the rule of law. They must show a commitment to norms set by the Organization for Security and Cooperation in Europe (OSCE), which include the resolution of ethnic conflicts, and of territorial disputes with neighboring countries. They must have civilian control over their militaries. They must be able to contribute to NATO’s collective defense and to its new missions, and they must work toward interoperability with NATO forces. However, it should be noted that these guidelines are not a checklist that, when completed, would “automatically” guarantee a country’s NATO membership.

At the April 1999 NATO summit in Washington, the allies announced a Membership Action Plan (MAP) to provide “advice, assistance and practical support” to countries seeking membership in the Alliance. Each NATO aspirant country submits an annual program on its preparations for possible future membership, and NATO provides feedback on aspirant countries' progress.

This report, which was compiled from memoranda prepared at the request of former Senator William Roth in 1999, contains brief assessments of the qualifications of the seven countries invited at the Prague summit, compared to those of Poland, the Czech Republic, and Hungary, which joined NATO in 1999. It will be updated as needed.

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# The NATO Applicants: A Status Report

## Introduction

At the November 21-22, 2002 NATO summit in Prague, the allies invited Bulgaria, Estonia, Latvia, Lithuania, Romania, Slovakia, and Slovenia to join NATO. Albania, Croatia, and Macedonia, which were also seeking NATO membership, were encouraged to continue their reform efforts. They were assured that more countries will be invited to join NATO in the future.<sup>1</sup> The seven countries invited at Prague signed protocols of accession to the Alliance on March 26, 2003. They will join the Alliance after the protocols are ratified by the parliaments of each of the 19 current NATO member states. As of April 25, 2003, Canada and Norway have ratified the protocols of accession.

NATO has no established criteria for accepting new members; accession of new members is ultimately a political decision made by alliance members. Article 10 of the North Atlantic Treaty states that alliance parties may invite “any other European state in a position to further the principles of this Treaty and to contribute to the security of the North Atlantic area to accede to the Treaty.” The 1995 Study on Enlargement presented general guidelines for use by NATO member governments in evaluating the suitability of nations seeking NATO membership. Candidates must have free market economies and democratic political systems based on the rule of law. They must show a commitment to norms set by the Organization for Security and Cooperation in Europe (OSCE), which include the resolution of ethnic conflicts, and of territorial disputes with neighboring countries. They must have civilian control over their militaries. They must be able to contribute to NATO’s collective defense and to its new missions, and they must work toward interoperability with NATO forces. However, it should be noted that these guidelines are not a checklist that, when completed, would “automatically” guarantee a country’s NATO membership. NATO members decide on the basis of consensus whether the admission of a state will serve the interests of the Alliance and promote European security and stability.

At the April 1999 NATO summit in Washington, the allies announced a Membership Action Plan (MAP) to provide “advice, assistance and practical support” to countries seeking membership in the Alliance. Each NATO aspirant country submits an annual national program on their preparations for possible future membership, and NATO provides feedback on aspirant countries’ progress. A clearinghouse helps coordinate defense assistance to aspirant countries by NATO and

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<sup>1</sup> Although it is one of the ten countries seeking NATO membership, Croatia was not eligible to receive an invitation at Prague because it had only joined the MAP program in May 2002.

member states. Also included is a “defense planning approach for aspirants which includes elaboration and review of agreed planning targets.”

Even before the April 1999 NATO summit, NATO and the aspirant states (as well as many others) cooperated within the Partnership for Peace (PFP) Program. Each year, PFP countries submit an Individual Partnership Program (IPP) which outlines plans for the country’s participation in PFP activities. PFP countries participate in a Planning and Review Process (PARP) with NATO that is designed to help countries shape their forces to achieve greater interoperability with NATO. Countries can set specific Partnership Goals (PG) aimed at achieving interoperability and improving their military capabilities.

However, while all PFP countries seek some degree of interoperability with NATO, not all of them desire NATO membership. The MAP process is designed to assist those countries that want to become NATO members to tailor their cooperation with NATO toward this goal. MAP countries submit an annual national plan that covers five general areas: political and economic affairs (including democratic government, civilian control of the military, a free market economy, and good relations with neighboring countries); defense issues (including the ability to contribute to NATO’s collective defense and its new missions, such as peacekeeping); resource issues (defense spending); security issues (safeguarding classified information); and legal issues governing cooperation with NATO. MAP countries set Partnership Goals that are designed to help them prepare for NATO membership.

In addressing the enlargement issue, NATO countries confront several important issues. One is whether it is necessary for the new members to contribute substantially to NATO’s collective defense or collective security functions in the near term.<sup>2</sup> If this condition is strictly interpreted, no candidate state may qualify, as their militaries have a long way to go before they can meet NATO standards. Indeed, many current NATO members need to upgrade their capabilities to carry out NATO’s new missions.<sup>3</sup> U.S. and NATO officials have dealt with this difficulty by urging aspirants to develop as quickly as possible specialized, “niche” capabilities that the Alliance needs most. NATO’s key priority for both current and future members is to develop capabilities to strike terrorism and other threats anywhere in the world.

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<sup>2</sup> NATO’s collective defense function is outlined in Article V of the North Atlantic Treaty, which says that an armed attack against one NATO country “shall be considered an attack against them all.” In such a case, NATO countries will assist the member under attack by “taking such action as it deems necessary, including the use of armed force, to restore and maintain the security of the North Atlantic area.” NATO invoked Article V for the first time in its history after the September 11 terrorist attacks on the United States. NATO’s collective security efforts are aimed at dealing with perhaps more diffuse, but nevertheless significant, threats to security and stability in Europe, such as ethnic conflict. These tasks include peace operations, humanitarian aid, crisis management, and political-military consultations.

<sup>3</sup> Jeffrey Simon, “The Next Round of NATO Enlargement,” Strategic Forum, Institute for National Strategic Studies, National Defense University, October 2000.



Advocates of enlargement believe it will increase political stability in Europe. Another important issue is whether enlargement will foster and consolidate democratic and free market values in new member states. Some observers of the first round of enlargement charge that some of the new member states have actually regressed somewhat in this area.<sup>4</sup>

This report, which was compiled from memoranda prepared at the request of Senator William Roth in 1999, contains a brief discussion of the qualifications of the seven NATO aspirant states invited to join the Alliance at the Prague summit, compared to those of the member states that joined NATO in 1999 – Poland, the Czech Republic, and Hungary. It has been updated using open sources of information available as of April 2003.

## U.S. Policy

The Bush Administration has strongly favored NATO enlargement, in order to stabilize Europe, and strengthen the Alliance's ability to cope with new threats, both politically and militarily. During a visit to Europe in June 2001, President Bush said that he favored "NATO membership for all of Europe's democracies that seek it and are ready to share the responsibility that NATO brings...As we plan the Prague summit, we should not calculate how little we can get away with, but how much we can do to advance the cause of freedom."<sup>5</sup> In a speech to the German Bundestag in May 2002, President Bush reiterated that "America is committed to NATO membership for all of Europe's democracies that are ready to share in the responsibilities that NATO brings. Every part of Europe should share in the security and success of this continent."

During the Prague NATO summit on November 21-22, 2002, President Bush hailed the decision of the Alliance to invite Bulgaria, Estonia, Latvia, Lithuania, Romania, Slovakia, and Slovenia to join NATO, saying "we will not only add to our military capabilities, we will refresh the spirit of this great democratic alliance." He said that the invitation "reaffirms our commitment to freedom and our commitment to a Europe which is whole and free and at peace." On April 10, 2003, President Bush transmitted the protocols of accession of the seven candidate countries to the Senate.

In Congressional hearings in March and April 2003, Administration officials praised the qualifications of the seven candidate states to join NATO, noting their progress in political, economic and military reforms, but saying that they still have more to do. They also stressed the Atlanticist and pro-U.S. stance of the candidates, perhaps implying a contrast with some current NATO members, such as France and Germany, that did not support U.S. military action in Iraq. In a hearing on April 8, Undersecretary of State Marc Grossman said enlargement would "encourage and

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<sup>4</sup> See Jackson Diehl, "New NATO, Old Values," Washington Post, March 4, 2002, 19.

<sup>5</sup> Text of address by President Bush to Polish students in Warsaw, June 15, 2001, State Department web site, <http://www.state.gov>.

consolidate reforms in the seven invitees, expanding NATO's geographic reach and inducting seven committed Atlanticists, who already act as allies in Afghanistan and Iraq," as well as allies in the war on terror. He said that the seven are committed to further political, economic and military reform, but that there is "still work to do." He said that all of the invitees have "joined strong statements of support" for U.S. policy in Iraq, and have "in some cases" lent support for U.S. military actions. He noted that the invitees have committed to spend at least 2% of GDP on defense, and that all seven contribute a higher percentage of their GDP than almost a third of NATO's current membership. He said they would contribute "as many as 200,000 new troops to the Alliance – approximately equal to the number added by NATO's last enlargement in 1999." He stressed NATO membership commands strong public support in all of the candidate states.<sup>6</sup>

Deputy Assistant Secretary of State for European and Eurasian Affairs Robert Bradke told the Senate Foreign Relations Committee on March 27 that the candidate states were already "de facto" allies with their contributions to international efforts in the Balkans, Afghanistan and Iraq. He said that they were all "parliamentary democracies with free and fair elections, open market economies, and respect for the principles of free speech and a free press." He said they have all taken steps to "improve governance," including by bolstering judicial independence, fighting corruption, protecting human rights, and dealing with restitution of property and other "difficult issues from the past." However, he noted that the candidate states must continue reforms in key issues, including "corruption, gray arms sales, treatment of minorities, protection of classified information, and defense reform." He stressed the United States and its NATO allies will continue to monitor progress toward reforms, noting that when the protocols of accession were signed in March 2003, each candidate submitted a "very detailed" list of reforms and a timetable for their completion.<sup>7</sup>

Testifying before the Senate Foreign Relations Committee on April 1, U.S. Ambassador to NATO R. Nicholas Burns also praised the reform efforts of the candidate states, but suggested that one should "consider not only objective qualifications of the seven invited nations, but also the factors that have led them to seek membership in NATO, what kind of Alliance they are interested in joining, and how this affects more broadly U.S. national security interests." Burns noted that leaders and citizens of the seven invitees are grateful to the United States for the leading role it played in advocating their membership in NATO. He added that their experience with Communist oppression showed the invitees the value of liberty and made them willing to fight for it. He concluded that "we should look at NATO enlargement not as how many countries we are obliged to defend but rather how many countries we can count on to stand with us when the going gets tough. Size

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<sup>6</sup> Transcript of Senate Foreign Relations Committee Hearing on NATO Enlargement, April 8, 2003, Federal News Service.

<sup>7</sup> Transcript of Senate Foreign Relations Committee Hearing on NATO Enlargement, March 27, 2003, Federal News Service.

and geography and population count less than the political will to defend our principles and collective security.”<sup>8</sup>

As noted by Administration officials, the candidate states have played a significant political role in the Iraq crisis. In response to increased conflict between the United States and France, Germany and other European countries, the ten candidate states issued a statement on February 5, 2003 strongly supporting U.S. efforts to rid Iraq of weapons of mass destruction. They reiterated a statement they made at the Prague summit that if peaceful efforts failed, they would contribute to a coalition to disarm Iraq. At the opening of the conflict in Iraq, almost all of the candidate states expressed support for the military campaign. Many offered or provided assistance, including overflight and basing rights, decontamination units for neighboring countries, and other military and civilian aid for post-war peacekeeping and reconstruction. At the outset of the conflict, six of the seven candidate states invited at Prague were listed by the Administration as part of the coalition to disarm Saddam. The sole exception is Slovenia, which refused a U.S. request to transport forces through its territory, although it has permitted the transit of humanitarian aid for Iraq.

## **Congressional Views**

The invitation of the seven states to join NATO has received widespread support in Congress. Congressional supporters of enlargement point to a moral imperative to bring these countries, once subject to Communist oppression, fully into the Western family of nations. They also note the positive political impact the NATO enlargement process (as well as the parallel EU enlargement effort) has had on stabilizing the region, giving these countries the incentive to reform their political and economic systems and cooperate with each other and with Western countries. Some also say that the relative proximity of Bulgaria and Romania to the Middle East gives the United States and NATO a geostrategic advantage, demonstrated by the use of bases in these countries by the United States in the conflict in Iraq.

However, some Members have noted causes for concern. They note that the militaries of all of the candidate states are not very large or capable. They say this issue is especially significant in the light of the U.S.-led war on terrorism, and the growing gap between the military capabilities of the United States and the other current members of the Alliance. In addition, it may be more difficult to secure political consensus as NATO becomes larger, although others note that most of the seven countries are among the strongest supporters of the United States in Europe.

On October 24, 2001, Representative Bereuter introduced H.R. 3167, the Freedom Consolidation Act of 2001. The bill was cosponsored by Speaker Hastert, Reps. Bonior, Goss, Hyde, Lantos and others. The House approved H.R. 3167 on November 6 by a vote of 372-46. The bill notes that enlargement received support in legislation by the four previous Congress, including funding for particular candidates. The bill also underlines the bipartisan support given to the last round of

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<sup>8</sup> Transcript of Senate Foreign Relations Committee Hearing on NATO Enlargement, April 1, 2003, Federal News Service.

enlargement, including by President George W. Bush and former President Clinton. H.R. 3167 does not single out any particular candidate for entry at the Prague summit, but encouraged the continued efforts of the current candidates, as well as Moldova and Ukraine. The bill makes Slovakia eligible to receive U.S. assistance under section 203(a) of the NATO Participation Act of 1994 (title II of P.L. 103-447). This section gives the President authority to establish a program of assistance with a government if he finds that it is meeting the requirements of NATO membership. The bill also authorizes a total of \$55.5 million to be made available for FY2002 under section 23 of the Arms Export Control Act (22 U.S.C. 2763) for Foreign Military Financing (FMF) to Estonia, Latvia, Lithuania, Slovakia, Slovenia, Bulgaria, and Romania.

On the same day H.R. 3167 was introduced, Senator Helms submitted an identical bill in the Senate (S. 1572). Cosponsors included Senators Durbin, Lieberman, Lott, Lugar, and McCain. Senator Warner blocked adoption of the bill by unanimous consent on the last day of the first session, saying that such an important bill should not be adopted without more extensive debate. The Senate took up S. 1572 again on May 17, 2002, and passed it by a vote of 85-6.<sup>9</sup> President Bush signed the bill into law on June 10.

On October 7, 2002, the House approved H.Res. 468, the Transatlantic Security and NATO Enlargement Resolution of 2002, by a vote of 359-9. The resolution calls on NATO to invite seven countries to join the alliance at the Prague Summit: Bulgaria, Estonia, Latvia, Lithuania, Romania, Slovakia, and Slovenia. On the same day, the House also passed by voice vote H. Con. Res. 116, which recommends that Lithuania, Latvia and Estonia be invited to join NATO, should they meet the requirements for membership.

An August 2002 report by the Republican staff of the Senate Foreign Relations Committee recommended that the seven leading candidate states be invited to join NATO at the Prague summit if they continue to carry out political, economic and military reforms. However, the report expressed skepticism that these countries will implement their pledges to increase defense spending after they are granted membership. The authors of the report note that most of the candidate states have serious problems with corruption, which threatens to undermine their democratic institutions. They said that the countries with the most to offer militarily in troops, weapons or strategic position (i.e., Romania and Bulgaria) have the most work to do on consolidating their democratic institutions, while countries that have democratic institutions, market economies and the rule of law do not “add significantly to the overall military posture of the Alliance.” The report stresses the importance of the MAP program during the ratification process in preventing backsliding on reforms among the invitees. The MAP process will also help to implement policies announced in Prague to fight the threats of terrorism and weapons of mass destruction.<sup>10</sup>

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<sup>9</sup> For more on U.S. policy toward NATO enlargement, see RS21055, NATO Enlargement, by Paul E. Gallis, updated May 16, 2002.

<sup>10</sup> Republican Staff Report to Senators Helms and Biden on NATO Enlargement, U.S. (continued...)

According to Senate Foreign Relations Committee Chairman Senator Richard Lugar, the protocols may receive Senate floor consideration as early as the week of May 5, 2003.<sup>11</sup>

## Bulgaria<sup>12</sup>

### Most Recent Developments

*Bulgaria's government and President, elected in 2001, have pledged to pursue Bulgaria's "strategic objectives" of membership in NATO and the EU. Long considered less likely than other candidate countries to receive an early invitation to join NATO because of their lagging reforms, Bulgaria now faces improved prospects because of its support to the U.S. -led coalition against global terrorism and the increased strategic importance of the southeast European region to European security. Sofia has committed to spend around 3% of GDP on the defense budget in 2002. In August, parliament approved the government's report on the state of the armed forces. The government also adopted its first military strategy document in June. On October 31, 2002, Bulgaria announced that it had destroyed all of its Frog, Scud and SS-23 missiles. NATO officials had conditioned a possible invitation to join NATO on the destruction of the missiles.*

*Bulgaria has supported military action to disarm Iraq, and was part of the "coalition of the willing" to disarm Saddam Hussein. Bulgaria gave permission for U.S. forces to use its airspace for a conflict with Iraq, as well as an airbase at Sarafovo, on the Black Sea. Bulgaria offered to send 150 troops to countries neighboring Iraq to protect against possible nuclear, chemical or biological attack, but the rapid conclusion of the war made this proposal moot. Instead, on April 21, Bulgaria said it would send a 170-man infantry unit to Iraq for peacekeeping duties.*

### Political and Economic Factors

Bulgaria is a parliamentary republic ruled by a democratically elected government. Bulgaria's process of reform since 1989 from communism to an open, market-oriented democracy has progressed unevenly and more slowly than in Poland, Hungary, or the Czech Republic, but made accelerated strides after 1997.

In the June 2001 parliamentary elections, voters turned away from both of the large, established parties, the Socialist Party and the incumbent Union of Democratic Forces, and flocked to a new party formed around Bulgaria's last monarch, King

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<sup>10</sup> (...continued)

Senate, Senate Foreign Relations Committee, August 30, 2002.

<sup>11</sup> Transcript of Senate Foreign Relations Committee Hearing on NATO Enlargement, April 8, 2003, Federal News Service.

<sup>12</sup> Sources for this section include reports from the *Foreign Broadcast Information Service* (FBIS), U.S. and international media, U.S. and Bulgarian government agencies, and the European Commission; and *The Military Balance 2001-2002*, by IISS.

Simeon II.<sup>13</sup> The Simeon II National Movement (NDSV), filled with western-educated but politically inexperienced members, won 43% of the vote and pledged to improve living standards and fight corruption, two highly problematic areas for the previous Kostov government. It said it would not seek to restore a monarchist political system in Bulgaria. The Simeon II Movement formed a majority coalition with the Turkish Movement for Rights and Freedoms and Simeon Saxe-Coburg Gotha became Prime Minister.<sup>14</sup> After a year in office, the government has experienced a marked drop in popularity, likely attributable to deflated public expectations of improved economic conditions and living standards. In the November 2001 presidential elections, Socialist Party candidate Georgi Parvanov unexpectedly defeated the incumbent, Petar Stoyanov of the UDF.

The State Department's Report on Human Rights Practices for 2001 reported that the Bulgarian government generally respected the human rights of its citizens, but cited serious remaining problems in police abuses, government influence on the media, infringement of privacy rights, discrimination against women, trafficking of women and children, and mistreatment of the Roma (Gypsy) minority. The judicial system struggles with low resources, a backlog of cases, and corruption, although some improvements in efficiency were cited. In its 2001 annual assessment report on Bulgaria, the European Commission noted Bulgaria's progress in consolidating its democratic institutions. It commended the government's plans to reform the judiciary and combat corruption, but urged implementation of these strategies in order to address continued weaknesses in the judicial system and problems with corruption. The State Department report similarly noted concerns about the ineffectiveness and lack of clarity of some reforms. A Bulgarian non-governmental study has tracked the Bulgarian government's record of tackling corruption-related problems and has outlined a range of measures yet to be undertaken, especially in the critical area of judicial reform. The same study noted growing public awareness of corruption-related issues, which has increased pressure on political leaders to demonstrate measurable progress in anti-corruption initiatives.<sup>15</sup> During Prime Minister Saxe-Coburg Gotha's visit to the United States in April 2002, Bulgarian officials announced a joint anti-corruption initiative with the United States.

GDP growth in Bulgaria reached around 4% in 2001. The economy remains troubled by high unemployment, low living standards, and low levels of foreign investment. Economic priorities for the Saxe-Coburg Gotha government include keeping tight controls over spending, completing delayed privatization, and combating corruption. In its October 2002 regular report, the European Commission noted that Bulgaria was "a functioning market economy" and able to cope with EU market forces and competitive pressures in the medium term. The report lauded Bulgaria's macroeconomic stability and progress in privatization and in structural

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<sup>13</sup> The State Department characterized the vote as generally free and fair, despite some media irregularities.

<sup>14</sup> Two independent ministers in the Saxe-Coburg Gotha cabinet are Socialist Party members.

<sup>15</sup> Corruption Assessment Report 2001, Center for the Study of Democracy [available at [www.csd.bg](http://www.csd.bg)].

reforms. It said further efforts were required in many areas, especially in implementing and enforcing reforms.

An August 2002 Senate Foreign Relations Committee Republican staff report noted that Bulgaria has pledged to make long-needed reforms in many areas, including a reform of the judiciary, economic reforms to increase foreign investment, reducing rampant corruption, and stopping trafficking in persons and drugs. The report praised Bulgaria's tradition of ethnic tolerance.

Administration officials have expressed concern about arms trafficking by Bulgarian firms, especially the sale to Syria of dual-use items by the Terem firm in fall 2002. Bulgaria is cooperating with the United States in the investigation and is working on reforms of its arms sales policies, but U.S. officials will not consider the case closed until those responsible for the Terem scandal are brought to justice.<sup>16</sup>

## Foreign Policy and Defense Factors

Bulgaria's priority foreign policy goals are membership in NATO and the EU. Recent changes in government and in the presidency do not appear to have altered Bulgaria's foreign policy orientation, reflecting a broad political consensus on foreign policy. Bulgaria is a member of numerous European institutions, such as the OSCE and the Council of Europe. It has been a member of the WTO since 1996. Unlike Poland, Hungary, and the Czech Republic, Bulgaria is not yet a member of the OECD. The EU opened accession negotiations with Bulgaria in February 2000, nearly two years after the first wave of candidates, which included Poland, Hungary, and the Czech Republic. In December 2002, the EU invited ten candidate countries, to be admitted as full EU members by 2004. While Bulgaria has recently made accelerated progress in negotiations, it was not invited. However, EU leaders held out hope that Bulgaria could reach its goal of achieving EU membership by 2007 if it continued its reforms. A large majority of Bulgarians (80% and above by some polls) supports entry into the EU.

Bulgaria's last government under Prime Minister Kostov of the UDF strove to improve Bulgaria's prospects for integration into NATO. During the 1999 Kosovo war, the Bulgarian government granted NATO unrestricted use of its airspace, in spite of strong domestic opposition to the NATO campaign. The government also granted NATO troops passage across Bulgaria for deployment to the peacekeeping operation in Kosovo. In April 2001, the Bulgarian parliament ratified a memorandum with NATO authorizing the transit and temporary stationing of NATO troops on Bulgarian territory at any time. All parliamentary groups in Bulgaria, including the Socialists, now support membership in NATO. A September 2002 Bulgarian public opinion poll put supporters of NATO at 62%, with opponents at 19%.<sup>17</sup> Bulgarian leaders predict that public support would diminish if Bulgaria failed to receive an invitation at Prague.

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<sup>16</sup> Testimony of Ian Brzezinski, Deputy Assistant Secretary of Defense for European and NATO Affairs before the Senate Foreign Relations Committee, March 27, 2003, Federal News Service transcript.

<sup>17</sup> BTA press agency, September 13, 2002.

In the midst of an unstable region, Bulgaria has actively supported and, in some cases, led numerous regional cooperation initiatives such as the Black Sea Economic Conference, regional summit and defense ministerial meetings, the Stability Pact for Southeastern Europe, and the creation in 1998 of a joint Balkan peacekeeping force, the multinational South Eastern Europe Brigade (SEEBRIG). The 7-nation brigade, which is based in Plovdiv, Bulgaria, comprises around 2,000-3,000 troops that are being trained for future peacekeeping and relief missions. Bulgaria maintains favorable relations with its neighboring states. In the run-up to the Prague summit, Bulgaria and Romania have actively promoted each other's candidacies for NATO and EU entry.

Following the September 11 terrorist attacks on the United States, the Bulgarian government expressed full support for U.S.-led operations in Afghanistan and said it would act like a *de facto* NATO ally. The Bulgarian government and parliament agreed to U.S. requests for overflight privileges and use by U.S. aircraft and personnel of a Bulgarian airbase near the Black Sea base of Burgas for support operations in Afghanistan. Bulgaria is contributing a 40-man decontamination unit to the International Security Assistance Force (ISAF) in Afghanistan.

**The Armed Forces.** Bulgaria got off to a late start in military reform.<sup>18</sup> In the last few years, the Bulgarian armed forces (comprising the army, navy, and air force) have embarked on a comprehensive reform and restructuring process focused on moving away from large, offensively-oriented and top-heavy structures and toward smaller, flexible, and NATO-compatible forces. The process of downsizing the armed forces, while important for cost savings in the long run, has imposed short-term burdens on the budget, limiting available resources for modernization and training. Bulgaria plans to continue implementing its armed forces reform program and participating in international peace missions.

In 2001, Bulgaria's armed forces comprised about 77,260 active forces, with 42,400 in the army, 18,300 in the air force, and 5,260 in the navy. Over 300,000 personnel served in the reserves. Bulgaria also has 34,000 paramilitary personnel serving as border guards, security police, or railway/construction troops. After several years of decline, Bulgaria's defense budget increased in 1999 and again in 2000. For 2001, the defense budget was about \$337 million (748 million *leva*), or about 2.8% of GDP.<sup>19</sup> The Bulgarian government and parliament remain committed to sustain this level of defense spending as a percentage of GDP through 2004. In comparison, Hungary spent an estimated 1.8% of GDP for defense in 2001, while the Czech Republic spent 2.2%, and Poland 1.8%. Most of the defense budget goes toward personnel costs, with little as yet available for equipment modernization. Bulgaria remains saddled with significant amounts of equipment from the Warsaw Pact era, with attendant high costs of maintenance and repair. Bulgaria has no immediate plans to purchase expensive western fighter aircraft, but has decided to upgrade most of its fleet of 21 MiG-29 tactical fighter aircraft. In early 2002, the Russian MiG Corporation won the tender for this contract, which is supposed to

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<sup>18</sup> See Simon, Jeffrey, "Bulgaria and NATO: 7 Lost Years," INSS Strategic Forum, May 1998.

<sup>19</sup> *The Military Balance*, 2001-2002.



modernize the aircraft up to NATO standards within three years. The Defense Ministry is in the process of developing more detailed plans for military modernization.<sup>20</sup>

Bulgaria has developed and adapted several plans for reforming the armed forces. In February 1998, the Kostov government approved a three-staged plan to reform the armed forces over the next twelve years ("Plan 2010"), calling for a reduction in armed forces strength to 65,000 - 75,000 personnel, among other things.<sup>21</sup> On the basis of recommendations included in a U.S. study on the Bulgarian armed forces, the Bulgarian government adopted in October 1999 "Plan 2004," an accelerated outline of structural and organizational reforms for the defense ministry and armed forces. The goal of these reforms is to achieve a small but combat-ready army. Plan 2004 calls for the armed forces to be reduced further to about 45,000 by the year 2004 (34,000 active troops and 11,000 reservists), or about half of its size in 1999. The armed forces are being restructured into rapid reaction forces, main defense forces, territorial defense forces, and reserves. The term of conscription has been reduced to nine months and the army will convert to a fully professional force by 2010. The plan calls for deep staff reductions in the Defense Ministry, reduced levels of outdated military equipment, and the closure of some military bases and academies. In 2000, Bulgaria adopted a new system for planning, programming, and budgeting to streamline defense planning and coordinate it with MAP requirements. In 2001, key defense reform priorities identified by the Bulgarian defense ministry included: continued restructuring and downsizing of the armed forces; increased interoperability with NATO in key areas such as air defense, command and control, logistics, and training; and moved forward with modernization and re-armament.<sup>22</sup>

According to Bulgarian officials, NATO's assessment of Bulgaria's military reforms has been largely positive, but spoke of the need to accelerate implementation of plans to restructure and modernize the armed forces, consistent with NATO standards. NATO reportedly cited as a priority the dismantling and disposal of outdated or redundant armaments and equipment. Another priority area cited was the resettlement and retraining of dismissed military personnel.<sup>23</sup> U.S. officials have supported Bulgaria's efforts to develop specialized capabilities that would be of use to NATO, such as special forces, engineers, logistic support units, and nuclear, biological and chemical defense units.

Bulgaria has participated in and hosted numerous NATO Partnership for Peace training exercises designed to improve interoperability with NATO forces. Bulgaria has also participated in the Planning and Review Process (PARP) under PFP, and agreed to work on over 80 interoperability objectives, now called Partnership Goals. Like Poland, Hungary, and the Czech Republic, Bulgaria has participated in the

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<sup>20</sup> *Defense News*, June 21, 2002.

<sup>21</sup> "Moving Towards NATO and the EU: Interview with Georgi Ananiev, Minister of Defense of Bulgaria," *Military Technology*, May 1998.

<sup>22</sup> Bulgarian Ministry of Defense [www.md.government.bg]

<sup>23</sup> Sofia Bulgarska Armiya, FBIS-EEU, April 25, 2002; Bulgarian news digest, April 24, 2002.

NATO peacekeeping operations in Bosnia and Kosovo, though at lower levels until recently. In the past, Bulgaria contributed an engineering platoon and a transportation platoon to NATO's Stabilization Force (SFOR) operation in Bosnia. More recently it deployed a mechanized platoon to the Dutch contingent in Bosnia and a larger security company to SFOR headquarters. Bulgaria also contributes an engineering platoon to KFOR in Kosovo.

Bulgaria was the last former Warsaw Pact country still possessing Soviet-era SS-23 medium-range missile systems, which the United States maintains have terrorist potential. In December 2001, the government and parliament approved plans to dismantle the SS-23 and other missiles by the end of October 2002. Defense officials linked the decision to Bulgaria's aspirations to be invited to join NATO at the Prague summit in November 2002. In May 2002, Bulgaria and the United States signed a bilateral agreement on the destruction of Bulgaria's SS-23, Scud, and FROG missiles. The United States has agreed to provide technical assistance and financial compensation for their destruction by the end of October deadline. On October 31, 2002, Bulgaria announced that it had destroyed all of the missiles.

An August 2002 Senate Foreign Relations Committee Republican staff report stressed the importance of completing the missile destruction, as well as implementing controls on small arms and other excess military equipment. The report noted that U.S. officials in Bulgaria believed Sofia's efforts to modernize, restructure and reduce its armed forces "could be faster, [but] were largely on track."<sup>24</sup>

**Civilian Oversight.** Under the Bulgarian constitution, the role of the armed forces is to guarantee the sovereignty, security, and independence of the country and to defend its territorial integrity. The President is commander-in-chief of the armed forces and appoints or dismisses the higher command of the armed forces. Civilian government and parliamentary authorities exercise administrative and budgetary control over the armed forces. In 1999, parliament passed the Military Doctrine as law. As outlined in Plan 2004 and the MAP Annual National Programs, parliament has also adopted several other related laws and amendments to the Defense and Armed Forces Act. The MoD's new planning, programming and budgeting system is intended to enhance civilian control and transparency, improve management of defense resources, and increase compatibility with NATO. For years, Bulgaria was considered to be lacking in civilian experts in defense, defense budget, and other security issues in parliament.<sup>25</sup> Part of the Plan 2004 military reform program calls for deep cuts in civilian personnel in both the General Staff and the Defense Ministry. The Bulgarian parliament's passage in April 2002 of a law on the protection of classified information has been viewed as consistent with NATO requirements.<sup>26</sup> In

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<sup>24</sup> Republican Staff Report to Senators Helms and Biden on NATO Enlargement, U.S. Senate, Senate Foreign Relations Committee, August 30, 2002.

<sup>25</sup> "Bulgaria Faces Up to Military Reform," *Jane's Intelligence Review*, September 1, 1997; and Simon, Jeffrey, "Bulgaria and NATO: 7 Lost Years," May 1998.

<sup>26</sup> The law has stirred some controversy, however, because it also restricted public access to the communist-era secret police files. See RFE/RL Newsline, Vol. 6, No. 81, April 30, (continued...)

August, parliament approved the government's report on the state of the armed forces. The government also adopted its first document on military strategy in June 2002.

## Estonia

### Most Recent Developments

*Estonia's defense spending in 2002 was 2 billion kroon (\$125 million), or about 2.0% of Estonia's GDP. Estonia has a company of soldiers serving as part of the Danish battalion of SFOR, rotating with troops from Latvia and Lithuania. A 22-man Estonian military police unit and an infantry company is deployed as part of KFOR in Kosovo. Estonia sent an explosives detection unit to Operation Enduring Freedom in Afghanistan in July 2002. An ordinance disposal unit was assigned to the ISAF peacekeeping force in March 2003.*

*On March 20, the Estonian government expressed support for U.S. military action in Iraq. On March 18, Secretary of State Colin Powell named Estonia as one of the 45 countries in the "coalition of the willing" in the conflict. Estonia is preparing to send about 55 soldiers to assist post-conflict peacekeeping in Iraq, including cargo handlers, explosive detection experts and a light infantry platoon.*

### Political and Economic Factors

Estonia is viewed by the United States and the European Union as a parliamentary democracy with a free market economy. According to the 2001 State Department Country Report on Human Rights Practices, Estonia is a parliamentary democracy that has held free and fair elections since the restoration of its independence in 1991. It reported that Estonia "generally respected the human rights of its citizens and its large ethnic Russian non-citizen community," but noted problems in several areas, including the treatment of prisoners and the use of excessive force by police. This positive assessment of Estonia's political system is similar to the report's discussion of the democratic political systems of Poland, Hungary and the Czech Republic.<sup>27</sup> In an October 2002 report on Estonia's fitness to join the EU, the EU Commission said that Estonia meets the political criteria for EU membership, including a democratic political system, the rule of law, respect for human rights and for the rights of minorities.

One significant difference between the domestic political situations of Estonia and Poland, Hungary and the Czech Republic is Estonia's large Russian-speaking minority (about 470,000 persons out of a total population of 1.43 million). The 2001 State Department human rights report says that Estonia generally respects the rights

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<sup>26</sup> (...continued)  
2002.

<sup>27</sup> U.S. Department of State, Country Reports on Human Rights Practices for 2001, released by the Bureau of Democracy, Human Rights, and Labor, March 4, 2002.

of non-citizens. On several occasions in the past few years, Estonia has changed its citizenship and language laws at the suggestion of the OSCE and EU to make them conform to European standards. The OSCE closed its monitoring office in Estonia at the end of 2001, a signal that the organization is largely pleased with Estonia's current record on the issue.

The October 2002 EU report describes Estonia as a "functioning market economy." Estonia completed membership talks at the end of 2002 and is expected join the EU in 2004. Estonia's progress in establishing a free market economy is broadly similar to that of Poland, Hungary and the Czech Republic, which are also expected to join the EU at the same time as Estonia.

Public opinion polls in Estonia have shown continued support for NATO membership. In a February 2003 opinion survey, 61% of those polled favored NATO membership.<sup>28</sup>

In May 2002, U.S. Ambassador to Estonia Joseph DeThomas criticized Estonia for not coming fully to terms with its role in the Holocaust. During this period, historians note, some Estonians (as well as others elsewhere in the region) collaborated with the Nazis in the persecution and murder of Jews. Estonian officials rejected the charges, saying that Estonia is fully committed to commemorating and educating the public on the Holocaust. In August 2002, the Estonian parliament voted to recognize January 27 as a day of remembrance of the Holocaust. During an October 2002 visit to Estonia, U.S. Ambassador to NATO Nicholas Burns said that the United States did not raise the Holocaust issue "to evaluate other countries" but rather because the United States believes "the subject is important."<sup>29</sup>

## **Foreign Policy and Defense Factors**

The United States and NATO have encouraged candidate states to join or participate where possible in a range of international institutions as a means to build stability and to build good relations with its neighbors. Like Poland, Hungary and the Czech Republic, Estonia is a member of the OSCE, the Council of Europe, and NATO's PFP and EAPC. Estonia enjoys excellent relations with most of its neighbors, and has no ethnic or territorial disputes with them. It has very good ties with the Nordic countries – Denmark, Finland, Iceland, Norway and Sweden, which are enshrined in a number of institutional frameworks. Links between Finland and Estonia (whose majority peoples are ethnically related) are especially close. Estonia has also increased cooperation with Lithuania and Latvia in security, economic and political matters through the Baltic Council, the Baltic Assembly and other inter-governmental organizations.

Estonia's relations with one neighbor, Russia, have been rocky at times. Russia has sharply criticized Estonia for allegedly violating the human rights of its Russian-speaking population. It has also expressed strong opposition to Estonia's efforts to

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<sup>28</sup> Baltic News Service, March 8, 2003.

<sup>29</sup> Agence France Presse dispatch, October 11, 2002.

join NATO. Estonia and Russia have initialed a border agreement, but have not signed it. One reason for the delay is that Russia has attempted to tie the signing of the agreement to its grievances on the status of Russian-speakers in Estonia. Another possible reason is that Russia does not want to sign a treaty that it thinks might enhance Estonia's chances for NATO membership, by removing what might be seen as a "territorial dispute."

**The Armed Services.** Estonia has about 7,200 men in its regular armed forces. In addition, it has about 8,300 men in the Defense League (Kaitseliit), a volunteer reserve force. Estonia's armed forces do not possess tanks or combat aircraft. It has 7 BRDM-2 reconnaissance vehicles, 32 armored personnel carriers, 19 105mm artillery pieces, 44 81mm mortars and 14 120mm mortars. Estonia is building its armed forces around a light infantry brigade, supplemented by territorial defense troops. Estonia plans to have one battalion of this force equipped and trained in 2003. U.S. officials say Estonia needs to continue its efforts to develop small, mobile units, and to focus less on the Defense League and territorial defense. U.S. officials have supported Estonia's efforts to develop niche capabilities in explosives disposal and military police.

Estonia's defense spending in 2002 was about 2 billion kroon (\$125 million), or about 2.0% of Estonia's GDP. In 2001, Hungary spent an estimated 1.8% of GDP for defense, while the Czech Republic spent 2.2% and Poland 1.8%.

The armed forces of Poland, Hungary and the Czech Republic are much larger than those of Estonia. Poland has 206,000 men in its armed forces, about as many as Britain. The Czech Republic's military has about 54,000 men, roughly as many as Canada. Hungary's armed forces have about 39,000 men, making its forces about the size of Portugal's. All three countries have much larger weapons stocks than Estonia. A possible weakness in Estonia's qualifications for NATO membership is that, given the small size of its population, Estonia may never be able to contribute as much to the collective defense capability of NATO as larger countries such as Poland, Hungary and the Czech Republic. On the other hand, Estonia's armed forces may be able to make a modest contribution to future NATO peacekeeping efforts, similar to that of smaller current NATO members.

A key part of Estonia's cooperation with NATO is the effort of the three Baltic states to develop joint defense projects. Joint endeavors help to pool the limited resources of the three countries and integrate them with each other and with the Alliance. One important joint program is the Baltic Peacekeeping Battalion (BALTBAT), which has received training and equipment from NATO countries. BALTBAT has not been deployed as whole unit, although parts of it have participated in the NATO-led force in Bosnia. By 2005, each of the three states plan to create from BALTBAT their own rapid reaction infantry battalions, ready for international deployment. These battalions will form the core of their main defense forces.

Another Baltic-NATO military cooperation project is BALTRON, the Baltic naval squadron. This five-vessel joint minesweeping unit has participated in exercises with NATO forces since 1998. However, BALTRON continues to lack the capacity to conduct minesweeping operations independently. It is planned that

BALTRON will acquire the training and equipment to accomplish such missions in the medium term. In April 1998, the three Baltic states signed an agreement on setting up BALTNET, a joint air surveillance network, with the long-term goal of integrating it with NATO's system. In 2000, BALTNET became operational, but it will need additional, more modern equipment before it will be fully effective. In December 2001, Estonia purchased a long-range mobile radar system from Lockheed Martin. The radar will be integrated into BALTNET. The Baltic states opened a joint Baltic Defense College (BALTDEFCOL) in Tartu, Estonia in August 1999. BALTDEFCOL is charged with educating staff officers from the three states in NATO-based staff procedures, defense planning and management. The college's first class graduated in 2000.

While Estonia has made progress in achieving interoperability with NATO, some observers believe that it may lag behind Poland, Hungary and the Czech Republic, which, as part of NATO's "first wave" of enlargement, had to move further sooner than Estonia. On the other hand, other experts note that the MAP process, particularly since 2000, has helped Estonia and other potential "second wave" entrants get a clearer idea of which reforms are needed than the "first wave" countries, which are still struggling with such changes three years after joining the Alliance.<sup>30</sup> As of January 2002, Poland contributed 570 men to KFOR. Hungary has contributed 350 troops, and the Czech Republic 200. In addition, Poland has contributed 280 men to SFOR, Hungary 130 men, and the Czech Republic 20. From 1997 to 2002, Estonia had a company of soldiers serving as part of the Danish battalion of SFOR on several occasions, rotating with units from Latvia and Lithuania. A 22-man Estonian military police unit is deployed as part of an Italian-led Multinational Specialized Unit in KFOR in Kosovo. In February 2003, an Estonian infantry company was deployed to KFOR, where it will rotate with companies from Latvia and Lithuania. Estonia sent an explosives detection unit to assist Operation Enduring Freedom in Afghanistan in July 2002. An ordinance disposal unit was assigned to the ISAF peacekeeping force in March 2003.<sup>31</sup>

An August 2002 Senate Foreign Relations Committee Republican staff report noted Estonia's efforts to develop specialized capabilities in de-mining, military police and decontamination units, but said that Estonia continues to emphasize territorial defense over developing capabilities to deploy troops abroad.<sup>32</sup>

**Oversight of the Military and of Intelligence Agencies.** As in Poland, Hungary and the Czech Republic, legal mechanisms exist to guarantee civilian control of Estonia's military and intelligence services. The President of Estonia is the Supreme Commander of National Defense. He can declare war and issue mobilization orders in case of an attack against Estonia. He also appoints and dismisses the leadership of the armed forces, and approves officer promotions, on the

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<sup>30</sup> Jeffrey Simon, "Roadmap to NATO Accession: Preparing for Membership," Institute for National Strategic Studies Special Report, National Defense University, October 2001.

<sup>31</sup> Materials on Estonia's armed forces supplied by the Embassy of Estonia; *The Military Balance*, 2001-2002; and Western press reports.

<sup>32</sup> Republican to Senators Helms and Biden on NATO Enlargement, U.S. Senate, Senate Foreign Relations Committee, August 30, 2002.

proposal of the government and the commander of the regular armed forces. The parliament approves the defense budget as well as defense policy guidelines and priorities. The parliament also approves the nomination by the President of the commander of Estonia's armed forces. The Estonian defense minister, a civilian, exercises control over the development and organization of the armed forces through the commander of the Regular Armed Forces. The President of the Republic is commander-in-chief of the armed forces, and appoints top military officers. These mechanisms are similar to those in Poland, Hungary and the Czech Republic.

## Latvia

### Most Recent Developments

*Latvia spent 90.95 million lats (\$144.4 million) on defense in 2002, or 1.75% of GDP. In 2003, Latvia expects to spend 111 million lats (\$184 million) on defense in 2003, or 2.0% of GDP. It plans to maintain this level of spending as a percentage of GDP through 2008. Latvia has had a company of soldiers serving as part of the Danish battalion of SFOR on several occasions, rotating with units from Estonia and Lithuania. Fifteen Latvian soldiers (military medics, military police and explosives disposal experts) are deployed to KFOR. In March 2003, Latvia sent 8 military medics to serve in the ISAF peacekeeping force in Afghanistan. On March 20, 2003, the Latvian parliament passed a resolution supporting U.S. military action in Iraq. Latvia is preparing to send about three dozen peacekeepers to post-conflict Iraq, including engineers, medics and military police.*

### Political and Economic Factors

According to the 2001 State Department Country Reports on Human Rights Practices, Latvia is a parliamentary democracy that has held free and fair elections since it achieved full independence in 1991. The government generally respected the human rights of its citizens, the report notes, but judges that problems remain with police brutality, an inefficient judiciary, poor prison conditions, and trafficking in women and children. This assessment of Latvia's political system is broadly positive, and similar to the report's discussion of the democratic political systems of Poland, Hungary and the Czech Republic. The October 2002 report on Latvia's qualifications to become an EU member said that Latvia has met the political criteria for EU membership, which include a democratic political system, the rule of law, respect for human rights and for the rights of minorities.

The presence of a large Russian-speaking minority has been an important political issue in Latvia. After it achieved independence in 1991, Latvia gave citizenship only to persons who were Latvian citizens on June 17, 1940 and their descendants. About 580,000 of the 2.4 million residents of Latvia do not have Latvian citizenship, almost all of them ethnic Russians or Russian-speakers. Latvia has made changes in recent years to bring its citizenship and language laws into line with European standards, at the suggestion of the EU and OSCE. The OSCE closed its monitoring office in Latvia at the end of 2001, a signal that the organization is largely pleased with Latvia's current record on the issue. However, in the eyes of

Western officials, one stumbling block remained. In February 2002, U.S. and NATO officials told Latvian officials that they must scrap a provision of an election law that bars candidates that do not speak Latvian well, or jeopardize possible NATO membership. The Latvian parliament approved the changes on May 9, 2002. A January 2003 public opinion poll in Latvia put support for NATO membership at 54.7%.<sup>33</sup>

In its October 2002 report on Latvia, the European Commission said Latvia had a “functioning market economy.” Latvia completed membership talks at the end of 2002 and is expected to join the EU in 2004.<sup>34</sup>

An August 2002 Senate Foreign Relations Committee Republican staff report praised Latvia for the progress it has made in democracy, economic reform and, particularly in the most recent period, efforts to integrate the Russian-speaking minority. The report stressed that Latvia and the other Baltic states need to fully address the issue of the Holocaust in their societies. The report’s authors noted that Latvia had made steps forward in this areas, such as in developing educational materials and restitution of expropriated property, but needed to move further, including by the establishment of a Jewish School.<sup>35</sup>

## Foreign Policy and Defense Factors

The United States and NATO have encouraged candidate states to join or participate where possible in a range of international institutions as a means to build stability. Like Poland, Hungary and the Czech Republic, Latvia is a member of the OSCE, the Council of Europe, NATO’s PFP and EAPC.

Latvia enjoys good relations with most of its neighbors. Latvia has increased cooperation with Estonia and Lithuania in security, economic and political matters through the Baltic Council, the Baltic Assembly and other inter-governmental organizations. However, Latvia’s relations with one neighbor, Russia, have been difficult at times. Russia has sharply criticized Latvia for allegedly violating the human rights of its Russian-speaking population. It has also expressed strong opposition to Latvia’s efforts to join NATO, threatening that such a move could lead Russia to reconsider its cooperation with NATO. Latvia and Russia have completed negotiations on a border agreement, but have not signed it. One reason for the delay is that Russia is attempting to tie the signing of the agreement to its grievances on the status of Russian-speakers in Latvia. Another possible reason is that Russia does not want to sign a treaty that it thinks might enhance Latvia’s chances for NATO membership, by removing what might be seen as a “territorial dispute.”

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<sup>33</sup> The Baltic Times, February 28, 2003.

<sup>34</sup> U.S. Department of State, Country Reports on Human Rights Practices for 2001, released by the Bureau of Democracy, Human Rights, and Labor, March 4, 2002; Western press reports and “Regular Report from the [European] Commission on Progress toward Accession – Latvia,” October 9, 2002.

<sup>35</sup> Republican Staff Report to Senators Helms and Biden on NATO Enlargement, U.S. Senate, Senate Foreign Relations Committee, August 30, 2002.



**The Armed Services.** Latvia has about 6,500 men in its active-duty armed forces, and 14,400 men in the National Guard reserves. It has 3 T-55 tanks, 13 armored personnel carriers, 2 reconnaissance vehicles, 26 100 mm artillery pieces, as well as five 82 mm mortars and 26 120 mm mortars, and no combat aircraft. Latvia spent 90.95 million lats (\$144.4 million) on defense in 2002, or 1.75% of GDP. It plans to spend an amount equal to 2.0% of GDP in 2003, the target set by NATO for the applicant states. Hungary spent an estimated 1.8% of GDP for defense, while the Czech Republic spent 2.2% and Poland 1.8%.

The armed forces of Poland, Hungary and the Czech Republic are much larger than those of Latvia. All three countries have much larger weapons stocks than Latvia. A possible weakness in Latvia's qualifications for NATO membership is that, given the small size of its population, Latvia may never be able to contribute as much to the collective defense capability of NATO as larger countries such as Poland, Hungary and the Czech Republic. On the other hand, Latvia's armed forces may be able to make a modest contribution to future NATO peacekeeping efforts, similar to that of smaller current NATO members.

The main priorities of Latvia's defense policy are to enhance the country's ability to defend itself, develop interoperability with NATO, and participate in international peacekeeping efforts. In 2003, Latvia plans to equip and train a light infantry battalion that would form the core of the country's army as well as be fully capable of participation in NATO-led peacekeeping. Latvia also plans to train and equip three additional mobile reserve battalions.

A key part of Latvia's cooperation with NATO is the effort of the three Baltic states to develop joint defense projects. In 1994, Latvia, along with Estonia and Lithuania, agreed to form a Baltic Peacekeeping Battalion with the help of NATO countries, which have supplied equipment and training for the force. BALTBAT has not been deployed as whole unit, although parts of the force have participated in the NATO-led force in Bosnia. By 2005, each of the three states plan to create their own professional infantry battalions from BALTBAT, which will form the core of their armed forces. These forces would be able to engage in a full range of international deployments, as well as to contribute to the self-defense capabilities of the Baltic states

A Baltic naval squadron (BALTRON) is another joint Baltic military project. Since 1998, this five-vessel minesweeping unit has participated in exercises with NATO forces. However, the squadron cannot conduct minesweeping operations independently. It is planned that BALTRON will acquire the training and equipment to accomplish such missions in the medium term. A third important Baltic military program is BALTNET, a joint air surveillance network. BALTNET became operational in 2000, but it will need additional, more modern equipment before it will be fully effective. It is planned that BALTNET will eventually be integrated in NATO's air defense system. Finally, the Baltic states have established a joint Baltic Defense College (BALTDEFCOL) in Tartu, Estonia. BALTDEFCOL educates staff officers from the three states in NATO-based staff procedures, defense planning and management.

At NATO's urging, Latvia is focusing its efforts on developing specialized capabilities in air surveillance (as part of BALTNET), military medics, explosive ordnance disposal experts, military police, and special forces.

While Latvia has made progress in achieving interoperability with NATO, observers believe that it may lag behind Poland, Hungary and the Czech Republic, which, as part of NATO's "first wave" of enlargement, had to move further sooner than Latvia. On the other hand, other experts note that the MAP process, particularly since 2000, has helped Latvia and other potential "second wave" entrants get a clearer idea of which reforms are needed than the "first wave" countries, which are still struggling with such changes three years after joining the Alliance.<sup>36</sup> Poland, Hungary and the Czech Republic have contributed sizeable contingents to NATO-led peacekeeping efforts in the Balkans. As of January 2002, Poland has contributed 570 men to KFOR. Hungary has contributed 350 troops, and the Czech Republic 200. In addition, Poland has contributed 280 men to SFOR, Hungary 130 men, and the Czech Republic 20. Latvia has had a company of soldiers serving as part of the Danish battalion of SFOR, rotating with units from Estonia and Lithuania. Fifteen Latvian soldiers (military medics, military police and explosives disposal experts) are deployed to KFOR. In March 2003, Latvia sent 8 military medics to serve in the ISAF peacekeeping force in Afghanistan.

An August 2002 Senate Foreign Relations Committee Republican staff report on NATO candidate states noted that Latvia was initially slow to build its armed forces, but that it has pledged to sharply increase military spending to 2.0% of GDP by 2003. The authors of the report said the steepness of the prospective increase in spending raised questions about whether it will be implemented, and should be monitored for compliance.<sup>37</sup>

**Oversight of the Military and of Intelligence Agencies.** As in Poland, Hungary and the Czech Republic, legal mechanisms exist to guarantee civilian control of Latvia's military and intelligence services. The Latvian parliament adopts the defense budget and approves laws on national defense. The commander of Latvia's armed forces is subordinated to a civilian Minister of Defense.<sup>38</sup>

## Lithuania

### Most Recent Developments

*In 2001, Lithuania spent 920.6 million litas (\$230.2 million), or about 1.96% of GDP. In 2002, Lithuania increased its spending to 2% of GDP, the standard set*

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<sup>36</sup> Jeffrey Simon, "Roadmap to NATO Accession: Preparing for Membership," INSS Special Report, October 2001.

<sup>37</sup> Republican Staff Report to Senators Helms and Biden on NATO Enlargement, U.S. Senate, Senate Foreign Relations Committee, August 30, 2002.

<sup>38</sup> Materials on Latvia's armed forces supplied by the Embassy of Latvia; *The Military Balance 2001-2002*, and Western press reports.

*by NATO for aspirant countries. In November 2002, the Lithuanian government sent 40 special forces soldiers to Afghanistan to assist U.S. and allied efforts there. A team of Lithuanian military medics has also been deployed to Afghanistan. There are 30 Lithuanian soldiers in KFOR as part of a Polish battalion.*

*On March 17, Lithuania expressed support for the U.S. military campaign in Iraq. Lithuanian Defense Minister Linas Linkevicius said that Iraq had failed to comply with the terms of U.N. Security Council Resolution 1441. On March 18, Secretary of State Colin Powell named Lithuania as one of the 45 countries in the “coalition of the willing” in the conflict. Lithuania has provided 10 logistics experts and 4 military doctors to coalition forces in Iraq. It is considering a U.S. request for the dispatch of infantry troops to participate in a peacekeeping force in Iraq.*

## **Political and Economic Factors**

Lithuania is a parliamentary democracy, which has held free and fair elections since achieving independence in 1991, according to the 2001 State Department Country Report on Human Rights. The report judges that Lithuania generally respects the human rights of its citizens, including the rights of national minorities. It notes that Lithuania has an independent judiciary, but cites some problems in the areas of police brutality and corruption and poor prison conditions. This largely positive assessment of Lithuania’s political system is similar to the report’s discussion of the democratic political systems of Poland, Hungary and the Czech Republic.<sup>39</sup>

In its October 2002 report on Lithuania’s qualifications to become a member of the European Union, the European Commission deemed that Lithuania meets the EU’s political qualifications for membership, which include a democratic political system, the rule of law, respect for human rights and for the rights of minorities. The report also describes Lithuania as a “functioning market economy.” Lithuania completed negotiations with the EU by the end of 2002 and is expected to join the Union in 2004.<sup>40</sup> A December 2002 public opinion poll put support for NATO membership at 59%.

## **Foreign Policy and Defense Factors**

The United States and NATO have encouraged candidate states to join or participate where possible in a range of international institutions as a means to build stability. Like Poland, Hungary and the Czech Republic, Lithuania is a member of the OSCE, the Council of Europe, NATO’s PFP and EAPC.

Lithuania enjoys good relations with neighboring countries, and has no major territorial or ethnic disputes with them. Lithuania has increased cooperation with

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<sup>39</sup> U.S. Department of State, Country Reports on Human Rights Practices for 2001, released by the Bureau of Democracy, Human Rights, and Labor, March 4, 2002.

<sup>40</sup> Regular Report from the [European] Commission on Progress toward Accession – Lithuania,” October 9, 2002 and Western press reports.

Estonia and Latvia in security, economic and political matters through the Baltic Council, the Baltic Assembly and other inter-governmental organizations. Lithuania has forged highly successful ties with Poland, a country with which Lithuania has historically had a complex and sometimes difficult relationship. The two countries have created joint cooperation institutions, including a Lithuanian-Polish peacekeeping battalion. Poland has expressed some concerns about the status of ethnic Poles in Lithuania, but the issue does not appear to have had a strongly negative impact on bilateral relations. Poland supports Lithuania's aspirations to join NATO.

Lithuania has a generally good relationship with Russia. Russia and Lithuania signed a border treaty in October 1997. Russia does not condemn Lithuania for alleged mistreatment of its small Russian-speaking population (just under 9% of the country's population). One area of friction, however, has been Russia's opposition to Lithuania's membership in NATO. Russia notes that its Kaliningrad exclave would be surrounded by NATO member states if Lithuania gained membership in the alliance. Lithuania currently permits Russian military traffic to transit Lithuania on its way to Kaliningrad. Belarus has also expressed objections to possible Lithuanian membership in NATO.

**The Armed Services.** Lithuania currently has about 6,900 men in its active-duty army. Lithuania possesses no tanks, combat aircraft or heavy artillery, and has 10 reconnaissance vehicles, 81 armored personnel carriers and 42 120mm mortars. In February 2002, U.S. Ambassador to NATO Nicholas Burns hailed Lithuania's decision in December 2001 to spend \$10 million to buy the U.S.-made Javelin anti-tank system.

Lithuania is making the transition from a force based on territorial forces (similar to U.S. National Guard and Reserves) to one based on more on professional, better-equipped, rapidly-deployable ones. Lithuania is developing a Rapid Reaction Brigade that will form the core of its forces. This force (which will be composed of about 3,800 men in peacetime when it is completed by 2008) will be supplemented by territorial units, which are being reduced. When the Rapid Reaction Brigade is ready, Lithuania expects to provide a battalion-sized unit that can deploy with NATO forces overseas for combat missions.

In 2001, Lithuania spent 920.6 million litas (\$230.2 million) on defense, or about 1.96% of GDP. In 2002, Lithuania increased its defense spending to 2% of GDP. In 2001, Hungary spent an estimated 1.8% of GDP for defense, while the Czech Republic spent 2.2% and Poland 1.8%.

The armed forces of Poland, Hungary and the Czech Republic are much larger than those of Lithuania. All three countries have much larger weapons stocks than Lithuania. A possible weakness in Lithuania's qualifications for NATO membership is that, given the small size of its population, Lithuania may never be able to contribute as much to the collective defense capability of NATO as larger countries such as Poland, Hungary and the Czech Republic. On the other hand, Lithuania's armed forces may be able to make a modest contribution to future NATO peacekeeping efforts, similar to that of smaller current NATO members.

Baltic defense cooperation is an important part of Lithuania's efforts to improve its qualifications for NATO membership. Lithuania and its two Baltic neighbors have set up four joint defense projects: the Baltic peacekeeping battalion (BALTBAT), the Baltic naval squadron (BALTRON), a joint air surveillance network (BALTNET) and a Baltic Defense College (BALTDEFCOL). BALTBAT, which has received equipment and training from NATO members, has not been deployed as whole unit. However, parts of the force have participated in SFOR, the NATO-led force in Bosnia. By 2005, each of the three states plans to create its own professional infantry battalion from BALTBAT, capable of undertaking a full range of collective defense and peace operations, on its own territory or abroad.

BALTRON, a five-vessel joint minesweeping unit, has participated in exercises with NATO forces since 1998, but lacks the capacity to conduct minesweeping operations independently. The Baltic states plan to acquire the training and equipment to accomplish such missions in the medium term. BALTNET, the joint air surveillance network, became operational in 2000, but requires additional equipment and training to become fully effective. The long-term goal is to integrate BALTNET in NATO's air defense system. BALTDEFCOL, located in Tartu, Estonia, educates staff officers from the three states in NATO-based staff procedures, defense planning and management. The college's first class graduated in 2000.

At NATO's suggestion, Lithuania is attempting to develop specialized capabilities useful to the alliance, such as air surveillance (as part of BALTNET), demining (as part of BALTRON), special forces, explosive ordinance disposal, medics, and engineers.

While Lithuania has made progress in achieving interoperability with NATO, observers believe that it may lag behind Poland, Hungary and the Czech Republic, which, as part of NATO's "first wave" of enlargement, have necessarily had to move further sooner than Lithuania. On the other hand, other experts note that the MAP process, particularly since 2000, has helped Latvia and other potential "second wave" of entrants get a clearer idea of which reforms are needed than the "first wave" countries, which are still struggling with such changes three years after joining the Alliance.<sup>41</sup> Poland, Hungary and the Czech Republic have contributed sizeable contingents to NATO-led peacekeeping efforts in the Balkans. As of January 2002, Poland has contributed 570 men to KFOR. Hungary has contributed 350 troops, and the Czech Republic 200. In addition, Poland has contributed 280 men to SFOR, Hungary 130 men, and the Czech Republic 20. Lithuania has had a company of soldiers serving as part of the Danish battalion of SFOR, rotating with units from Estonia and Latvia. There are 30 Lithuanian soldiers in KFOR as part of a Polish battalion. Lithuania has also supplied an AN-26 transport aircraft and crew to KFOR and SFOR. In November 2002, the Lithuanian government sent 37 special forces soldiers to Afghanistan to assist U.S. and allied efforts there. There are also 4 Lithuanian military doctors serving a part of the ISAF international peacekeeping force in Afghanistan.

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<sup>41</sup> Jeffrey Simon, "Roadmap to NATO Accession: Preparing for Membership."

An August 2002 Senate Foreign Relations Committee Republican staff report noted that Lithuania could only make a “modest” military contribution to NATO, but praised its military reform efforts. It said that the efforts of Lithuania and the other Baltic states to pool their resources in BALTBAT, BALTNET and other joint bodies could serve as a model to current NATO member states.<sup>42</sup>

**Oversight of the Military and of Intelligence Agencies.** As in Poland, Hungary and the Czech Republic, legal mechanisms exist to guarantee civilian control of Lithuania’s military and intelligence services. The President of Lithuania is the Supreme Commander of the Lithuanian Armed Forces. Lithuania’s parliament approves the defense budget. The Defense Ministry prepares defense plans and budget requests and supervises their execution. These mechanisms are similar to those in Poland, Hungary and the Czech Republic. A Lithuanian government publication states that “as a general principle, the role of civilians within the Ministry of National Defense is to provide continuity in policy formulation and execution, and to provide depth of expertise in political and administrative matters. It is not to assume responsibility for providing military advice or for conducting military operations which properly remain with professional military officers.”

## Romania

### Recent Developments

*Romania’s political life has been relatively stable since President Ion Iliescu and his Party of Social Democracy were reinstalled in elections 2 years ago. Although the government has had several successes on the economic front, Romania continues to lag behind its neighbors; Bucharest has been urged to accelerate economic reforms, privatize large industries, and particularly to reduce pervasive corruption. In November 2001, the EU indicated that Romania, along with Bulgaria, would not be sufficiently prepared to join the Union with the other candidate states in 2004. Romania has continued to reform, modernize and downsize its military. The country cooperated actively with the U.S.-led coalition in the war on terrorism; among other actions, it has contributed transport aircraft and troops to Afghanistan. Romania permitted the use of its territory – land, airspace and seaports – for the U.S.-led military action against Iraq, and dispatched non-combat troops (engineers, medics and military police) to the region. About 1,000 U.S. troops have been stationed in Constanța, which is acting as an “air bridge” to the Gulf. Following the NATO Prague summit, at which Romania was invited to join the alliance, President Bush flew to Bucharest, where he addressed cheering crowds at Revolution Square.*

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<sup>42</sup> Republican Staff Report to Senators Helms and Biden on NATO Enlargement, U.S. Senate, Senate Foreign Relations Committee, August 30, 2002.

## Political and Economic Factors

Romania is a constitutional democracy with a bicameral legislature. It has held four elections, deemed free and fair by outside observers, since the fall of communism. In fall 2000, Romanian voters ousted the a center-right coalition and restored to power the PDSR—since renamed the Party of Social Democracy (PSD). During a run-off election, PDSR candidate Ion Iliescu, president from 1990-1996, defeated Vadim Tudor, an extremist nationalist.<sup>43</sup> Since the elections, Romania's political scene has been fairly stable—a marked contrast to the previous administration. The PSD has ruled as a minority government, with the support of the ethnic Hungarian party. Tudor's Greater Romanian Party, the official opposition, has suffered more than a dozen defections and has been unable to block the PSD legislative agenda.

According to the U.S. Department of State's *2002 Report on Human Rights Practices*, Romania's executive branch "continued to influence the judiciary, and widespread corruption remained a problem." The report found that the Romanian government "generally respected the rights of its citizens," but that there were "problems in some areas." The report cited police mistreatment of detainees, as well as other problems, such as discrimination and violence against women, juvenile homelessness, freedom of the press, and discrimination against religious minorities and the Roma (gypsies). However, the situation of the ethnic Hungarian minority has improved considerably over the past several years. The Romanian government characterized the assessment as inexplicably narrow and uninformed.

Romania's halting reform efforts have resulted in more than a decade of economic stagnation, while the economies of many neighboring states have taken off. Key indicators for the last two years have shown signs of improvement, however. While GDP declined sharply during 1997-1999, it rose by 1.8% in 2000 and 5.3% in 2001; the 2002 growth rate was 4.9%. The economy is forecast to grow by 5% or more in 2003 and continue to strengthen in 2004. Inflation, which averaged 45% in 1999 and 2000, dropped to 30.3% in 2001 and to 17.8% at the end of 2002. Unemployment in March 2003 stood at 8.3%, but may rise as large enterprises are privatized. The average income, however, remains stuck at somewhat over \$100 per month—nearly the lowest in Europe.<sup>44</sup> Although Romania is rich in natural resources, most observers agree that it cannot prosper until the government relinquishes control over key sectors of the economy, permits the growth of private financial institutions, and eases barriers to foreign investors. Both Iliescu and Prime Minister Adrian Nastase say that they realize they must implement reforms; market-oriented initiatives have been introduced in several areas, including taxation, investment, and privatization.

Romania has continued to receive much-needed assistance from international organizations. In October 2001, the International Monetary Fund (IMF) concluded with Romania a new standby loan agreement for \$383 million. The Fund released

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<sup>43</sup> For additional background information, see: CRS Report RS20886, *Romania After the 2000 Elections: Background and Issues For Congress*, by Carl Ek.

<sup>44</sup> Economic data are from the World Bank, Reuters, and the Economist Intelligence Unit.

the first tranche, but then delayed disbursement of subsequent installments pending negotiations over whether the government could meet the terms of the accord—Romania failed to fulfill the conditions of five previous IMF loan agreements. In September 2002, the Fund released a double tranche of \$109 million; another sum may be released after discussions on April 25, 2003. In addition, Romania received a World Bank Private Sector Adjustment loan of \$340 million in September 2002, and has also received pre-accession aid from three different European Union (EU) programs.

In its October 2002 economic progress report on accession candidates, the EU concluded that “Romania has continued to make progress towards being a functioning market economy, for which the prospects have improved.”<sup>45</sup> Although this was the most positive assessment to date, the EU reported that Romania and Bulgaria had not met the accession criteria, and would not be included in the next round of enlargement in 2004. In March 2003, however, the U.S. Commerce Department declared that Romania had a functioning market economy.

Corruption, pervasive in both public and private sectors, continues to be one of the most serious roadblocks to Romania’s integration into NATO and the EU. The EU’s 2002 annual report on Romania stated that “corruption remains a widespread and systemic problem ... that is largely unresolved.” The report notes that new organizations have been created to fight corruption, “but are not yet fully operational.” It warns that “high levels of corruption undermine economic development and erode popular trust in state institutions.” In May 2002, Amnesty International’s annual report charged that corruption was undermining Romania’s legal system. NATO Secretary General Robertson and U.S. Ambassador to Romania Michael Guest have strongly urged the government to address corruption in a forceful and meaningful way. In an April 2003 letter to an anti-corruption conference in Bucharest, Guest said that Romania should “spend less time studying the problem than taking action against it,” and warned against high-level government corruption. EU Ambassador to Romania Jonathan Scheele agreed with Guest, remarking that “a functional democracy cannot exist among thieves,” and that corruption exists across the political spectrum.<sup>46</sup> An August 2002 Senate staff report cited a “lack of resolve to tackle the [corruption] problem head on.” in Romania.<sup>47</sup> In January 2003, U.S. Assistant Commerce Secretary William Lash warned Romanian officials that corruption could jeopardize trade with the United States. Finally, in public opinion polls, Romanians have identified corruption as a major concern. Prime Minister Nastase stated that eliminating corruption is a top priority.<sup>48</sup> In September 2002, the government launched a new National Anti-corruption Prosecutor’s Office – for

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<sup>45</sup> 2002 Regular Report on Romania’s Progress Toward Accession. October 9, 2002. p. 129. [[http://europa.eu.int/comm/enlargement/report2002/ro\\_en.pdf](http://europa.eu.int/comm/enlargement/report2002/ro_en.pdf)]

<sup>46</sup> *REF/RL Newsline*. April 17 and 18, 2003.

<sup>47</sup> Republican Staff Report to Senators Helms and Biden on NATO Enlargement. U.S. Senate. Senate Foreign Relations Committee. August 30, 2002. p. 4.

<sup>48</sup> Interview—Romanian PM Hopes Graft Fight Good Enough For NATO. By Daniel Simpson. *Reuters*. January 29, 2002. 2002 Regular Report on Romania’s Progress Toward Accession. October 9, 2002. *REF/RL Newsline*. Vol. 7, No. 16. January 31, 2003.



which U.S. funding will be provided; in addition, the government has recently introduced a clutch of laws to combat graft. In recent months, two-dozen business managers and three high-level government officials have been charged with fraud and bribery. Officials at NATO wish to see forceful implementation of such programs and actions. EU and U.S. officials have praised the government's recent anti-corruption efforts.

## Foreign Policy and Defense Factors

Romania has actively sought to integrate with western international institutions, and to cultivate good relations with its neighbors. It is a member of the Council of Europe, as well as of NATO's PfP and EAPC. In October 1999, Romania was invited to begin accession negotiations with the EU. In 2001, Romania held the revolving chairmanship of the OSCE; the EU praised its performance, noting that "[t]he successful management of the OSCE Presidency provides a clear demonstration of Romania's capacity to assume an international leadership role in the field of foreign affairs." According to a fall 2002 poll, 88% of Romanians support NATO membership, and 86% favor joining the EU.<sup>49</sup>

Through a series of bilateral treaties and multilateral agreements, Romania has been seeking to normalize its relations with neighboring states and to increase regional cooperation. After lengthy negotiations, Romania concluded bilateral agreements with Hungary and Ukraine (although some border issues remain to be resolved with the latter); earlier, it had signed treaties with Bulgaria, former Yugoslavia, and Slovakia. Romania also has been working in cooperation with Moldova, Turkey, Greece, and other countries in the region on matters affecting trade, security, the environment, and law enforcement. In 2001, relations with Hungary became somewhat strained over the Hungarian "Status Law," which would provide employment and social benefits to ethnic Hungarians who live outside the country's borders; the question was largely resolved, however, in an accord between the two countries.

Romania has cooperated actively with the United States in a number of areas. On August 1, 2002, Romania became the first country to sign a bilateral accord agreeing not to turn U.S. citizens over to the International Criminal Court; the pact created some tensions for Bucharest vis-a-vis the EU.<sup>50</sup> The country has assisted in the war against terrorism, and has consistently supported the U.S. position on Iraq (see below). In congressional testimony on April 10, Deputy Defense Secretary Wolfowitz singled out Romania for praise. Romania has been mentioned by some observers as a possible site for future 'flexible' U.S. military bases.

**The Armed Services.** Traditionally, Romania's military has been a highly regarded institution in society; its restrained role during the 1989 revolution reinforced that perception. In 1995, Romania signaled more active participation in the United Nations by announcing it would send a battalion of troops and medical

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<sup>49</sup> *REF/RL Newslines*. Vol. 6, No. 192. October 10, 2002.

<sup>50</sup> See also: *European Counterterrorist Efforts Since September 11*. Coord. by Paul E. Gallis. CRS Rpt. No. RL31612. October 17, 2002.

staff to help preserve a truce in the civil war in Angola. Also, Romania has military observers in Central Africa and the Persian Gulf, and has provided troops for humanitarian assistance effort in Albania. It has participated in numerous NATO PfP exercises, and has contributed a 122-member contingent to NATO-led SFOR, 222 personnel to KFOR, and 70 police officers to UNMIK; Romania also has provided a port at Constanța for the rotation of KFOR troops. Romania has deployed 25 military police and a C-130 transport to the International Security Assistance Force in Afghanistan, and in July dispatched an infantry battalion of 405 troops to relieve Canadian forces at Kandahar. Finally, Romania offered the use of its territory – land, airspace and seaports – for the U.S.-led military action against Iraq. In addition, Romania dispatched, at Washington’s request, non-combat troops (engineers, medics and military police) to the region. About 1,000 U.S. personnel were stationed in Constanța, which is acting as an “air bridge” to Iraq and the Gulf. Romania has also indicated that it will assist in Iraqi reconstruction, and the United States has reportedly requested that Romania send peacekeepers to Iraq.

In 2000, Romania’s defense budget was \$780 million, or approximately 2.2% of GDP.<sup>51</sup> The defense budget for 2001 was \$890 million, and for 2002 just over \$1 billion, or 2.38% of GDP. In mid-2002, the Romanian military’s chief of staff publicly urged the government to aim for even higher defense spending levels; in October, Defense Minister Ion Pascu announced that the 2003 budget would allocate 2.3% of GDP to the military. In 2001, Poland and Hungary devoted 1.8% of their GDP to defense, and the Czech Republic spent 2.2%. That year, the NATO-Europe average was 2.0%, and all-NATO was 2.5%. In 2002, Romania received \$9.0 million in U.S. Foreign Military Financing, and \$1.4 million in International Military Education and Training funds. On July 20, 2001, it was reported that the United States would provide \$17 million to Romania in a multi-year effort to help bring its military to NATO standards.

Defense analysts believe that Romania is doing well on military personnel reform. It has been reorganizing its military structure in accordance with western standards, and has created a rapid reaction force. A merit-based, depoliticized promotion process is being instituted. The force size has been reduced to 121,693 in September 2002, with a goal of 75,000 by 2007. In addition, the top-heavy officer ranks are being culled – 49 general officers and hundreds of colonels have been retired. Since 1998, a U.S. Marine Corps element has been in Romania, supervising a model program for training a cadre of non-commissioned officers. More than one thousand officers, NCOs, and civilians have received training in NATO countries. The Defense Ministry also intends to move toward a more professional armed forces; it has announced that by 2003, the army will consist of 75% career military and 25% conscripts.

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<sup>51</sup> Defense data and information are from various sources, including: *The Military Balance, 2001/2002*. Oxford University Press. London. October 2001. p. 97. *Jane’s Defense Weekly*. Vol. 34, No. 18. November 1, 2000. Interview: Ioan Pascu–Romanian Minister of National Defence. By Ian Kemp. *Jane’s Defence Weekly*. November 21, 2001. CRS interviews with defense analysts. Information provided by the Romanian embassy.

In terms of NATO interoperability, Romania lags behind Poland, the Czech Republic, and Hungary, but has been making progress. It has been modernizing its military equipment and adding new weapons systems. Romania's MiG-21 fighter aircraft are being upgraded, as are navy ships, communications facilities, and missile launching systems. Some of its MiG-29 aircraft are being grounded "for technical reasons," and Romanian officials have indicated an interest in eventually acquiring F-16s.<sup>52</sup> In addition, Romania has acquired a German self-propelled air defense system, four U.S. C-130 Hercules transport aircraft, and Lockheed-Martin FPS-117 long-range surveillance radar systems. In November 2001, Romania opened a military airfield capable of receiving NATO warplanes. In mid-April 2002, the government approved the purchase of two guided missile frigates from the UK. A Senate staff report applauded Romania's military for "making good procurement decisions – buying not just 'toys' but required items ..."<sup>53</sup> In addition, Romania is finalizing the development, in cooperation with Bulgaria, of an air sovereignty operations center. Finally, Romania has been developing "niche capabilities" to offer NATO, including airlift, minesweeping, UAVs, counter-NBC warfare, mountain combat troops, and special forces.

Some defense analysts believe that Romania's lack of up-to-date and interoperable equipment helped frustrate entry into NATO in 1997 and could still constitute a problem, particularly at a time when the United States is urging current alliance members to enhance their defense capabilities. Others contend that Romania's poor economic situation remains an impediment to alliance membership, as the costs of military modernization are still prohibitive.<sup>54</sup> Corruption, which may affect military procurement decisions and border traffic, has also been cited as a security issue. Romania attempted to address concerns over transparency in the government purchasing process in March, when it established a national system of electronic public procurement. Notwithstanding these problems, some analysts assert that Romania, with its relatively large and highly motivated armed forces, has more to offer militarily than any of the other NATO applicant states. Others emphasize Romania's geostrategic importance, noting that Turkey, Greece, and other southern tier NATO states have endorsed membership for both Romania and Bulgaria. Finally, some analysts highlight Romania's political cooperation with the United States.<sup>55</sup>

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<sup>52</sup> *REF/RL Newslines*. Vol. 7, No. 14. January 23, 2003.

<sup>53</sup> Republican Staff Report to Senators Helms and Biden on NATO Enlargement. p. 3.

<sup>54</sup> Romania's NATO Bid. By Alfred H. Moses [former U.S. Ambassador to Romania]. *SAIS Review*. V. 18. Winter/Spring 1998. p. 137. A similar argument is made in: Ceaușescu's Legacy. By Tom Gallagher. *The National Interest*. Summer, 1999. p. 107. However, see also: The Fulcrum of Europe. By Robert Kaplan. *Atlantic Monthly*. September, 1998. p. 28. Kaplan argues that the strategic importance of Romania's location, as well as its strong desire to join and steadfast support for the United States, all argue strongly for its inclusion in NATO.

<sup>55</sup> See: testimony of Dr. Janusz Bugajski before the U.S. Senate Foreign Relations Committee, April 3, 2003.

**Oversight of the Military and of Intelligence Agencies.** According to observers, Romania has made progress in the area of civilian management of the military and intelligence services, but there have been some enduring problems—chief among them the continuing presence of hold-overs from Ceaușescu’s infamous *Securitate*.<sup>56</sup> Romanian officials counter that they have a clear, effective policy of vetting officials who would be handling NATO classified material, and are confident that former *Securitate* officers in the intelligence services can be trusted. Some observers also note that Romania has a large number of security and intelligence organizations. Romania has enacted legislation to ensure civilian control over the military and intelligence agencies; the 1991 constitution declares the president to be commander-in-chief of the armed forces. Romania has had a civilian defense minister since mid-1994, and has reportedly consolidated civilian control since then. Romanians maintain that civilians have full control over the armed forces and constitute an increasing share of the Defense Ministry and of the student body of the National Defense Academy. The 2001 State Department Human Rights Report stated that “[a]ll security and intelligence organizations operate under the authority of civilian leadership.” The 1997 Report noted that many senior officials in the security forces had been replaced that year. In January 2001, the National Supreme Defense Council named Sen. Radu Timofte, a close associate of President Iliescu’s, to be director of the Romanian Intelligence Service (SRI). In March 2001, Romania passed a Law on State Secrets, but the measure was criticized by some as an infringement of freedom of speech; the government consulted with NATO and the legislation came into force in May, 2002. In November 2001, the government announced that the SRI and the Foreign Intelligence Service would be reorganized to permit them to focus more on terrorism and on cooperation with foreign intelligence agencies.

## Slovakia<sup>57</sup>

### Most Recent Developments

*In their September 2002 parliamentary elections, Slovaks surprised most outside observers by renewing the mandate of Prime Minister Mikulas Dzurinda and providing him with a more coherent governing coalition. The outcome may prove decisive in determining the country’s foreign policy outlook. U.S. and allied officials made clear during the months leading up to the election that a return to power of the nationalist former Prime Minister Vladimir Meciar or his party, the Movement for a Democratic Slovakia, would likely preclude an invitation to Slovakia to join either NATO or the EU. Slovakia was among the nations invited to join both institutions. U.S. Defense Secretary Rumsfeld flew to Bratislava to meet with Slovak leaders*

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<sup>56</sup> NATO Insists Romania Screen Ex-Agents Of Old Secret Police. By Philip Shishkin. *Wall Street Journal*. April 30, 2002. Romania Likely To Get NATO Membership But Security Is An Issue. By George Gedda. *Miami Herald*. June 9, 2002.

<sup>57</sup> Sources for this section include reports from the *Foreign Broadcast Information Service* (FBIS), the U.S. State Department, the Slovak Ministry of Defense and Ministry of Foreign Affairs, and the European Commission; and *The Military Balance 2002-2003*, by IISS.

*immediately after the Prague NATO summit. Slovakia, along with the Czech Republic, has sent a contingent of anti-chemical weapons specialists to Kuwait. During a Washington meeting on April 9, President Bush thanked Slovak President Schuster for Slovakia's support during the Iraq conflict. On April 15, Slovakia became the first NATO invitee to sign the NATO accession protocols.*

## **Political and Economic Factors**

Slovakia and the Czech Republic peacefully split from union in the Czech and Slovak Federal Republic in 1993. From a starting point generally equal to that of the Czech Republic, Slovakia's international standing quickly diminished during the controversial leadership of Vladimir Meciar and his party, the Movement for a Democratic Slovakia (HzDS). On several occasions, the European Union and the United States sharply criticized the policies and practices of the Meciar government, which they claimed deviated from democratic norms. In the European Union's first assessment (in 1997) of the qualifications of countries applying for EU membership, Slovakia was the only candidate that explicitly failed to meet the political criteria of EU membership because of democratic shortcomings and the instability of Slovakia's political institutions.<sup>58</sup>

In the 1998 elections, a broad coalition of four opposition parties defeated Meciar's HzDS and its coalition partners, and Mikulas Dzurinda of the Slovak Democratic Coalition became Prime Minister. Meciar also lost to Rudolf Schuster in Slovakia's first direct presidential elections in May 1999.<sup>59</sup> The Dzurinda government worked strenuously to restore Slovakia's standing among NATO and EU candidate countries. However, it was troubled by internal divisions and a steady decline in popular support reflecting public disenchantment with structural economic reforms. The coalition faced numerous no-confidence votes in parliament and periodically threatened to dissolve. Unifying factors were the wish to keep former Premier Meciar from returning to power and the firm commitment to achieving EU and NATO accession, goals which have provided substantial policy guidance. However, the government's declining popularity has exacerbated intra-coalition tensions.

Slovakia's most recent parliamentary elections were held on September 20-21, 2002, shortly before the NATO Prague summit. Meciar's party, the HzDS, won a plurality, but was unable to attract coalition partners. Dzurinda's party, the Slovak Christian and Democratic Union (SDKU), came in second place and teamed up with

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<sup>58</sup> Under the political criteria outlined in the June 1993 European Council declaration in Copenhagen, a candidate country must demonstrate that it has achieved "stability of institutions guaranteeing democracy, the rule of law, human rights, and respect for and protection of minorities."

<sup>59</sup> After the end of former President Michal Kovac's term in March 1998, the Slovak parliament was unable to pass the three-fifths majority vote necessary to install a new President, leaving the presidency unfilled. A question on the direct election of the President was removed from a public referendum on NATO by the Meciar government in May 1997; most of the electorate boycotted the referendum. Parliament passed a new law on presidential elections in January 1999.

three center-right parties to form a government. Many observers interpret the election results as a vote for moderation and further reform, as the four parties that make up the new governing coalition are more ideologically compatible than those of the last government. Markets reacted favorably to the outcome, and the Slovak crown (the *koruna*) strengthened against the euro.

During his first term in office, Dzurinda focused on accelerating economic reforms, consolidating democratic development, combating corruption, and advancing accession negotiations with the EU. In its 1999 regular progress report on accession, the European Commission noted the change in government and assessed that Slovakia had met the political criteria for accession for the first time. In its 2002 report, issued shortly after the elections, the Commission noted that Slovakia continued to fulfill the political criteria for membership and reported progress across many economic, administrative, and legal areas. The report stated that Slovakia had made “considerable efforts” in protecting minority rights, but cautioned that corruption remains a “serious” concern.<sup>60</sup> NATO and U.S. officials have also urged the Slovak government to tackle the problem of corruption.<sup>61</sup>

The State Department’s Report on Human Rights Practices for 2002 also noted an improved human rights situation, but stated that “corruption and inefficiency within the judiciary were serious problems,” and that Slovakia’s Roma population continued to experience “considerable” societal discrimination. In February 2001, Slovakia passed amendments to its constitution that strengthened the judicial branch and the constitutional court, facilitated public administration reform, and established an ombudsman’s function for the public defense of citizens’ rights.

The European Commission’s latest progress report assessed that Slovakia is a functioning market economy able to cope with the competitive pressures of EU membership and market forces in the Union in the near term. Slovakia’s GDP grew by 3.3% in 2001 and by 4.4% in 2002 – among the highest in Central Europe. Inflation is expected to rise temporarily to nearly 8% this year, mainly as a result of the passage of needed reforms in fiscal policy. Unemployment is 2.5% below last year’s level, but, at 17.1%, remains a serious concern for the government; joblessness is concentrated mainly in rural areas and among Roma settlements. Corruption, particularly in public procurement, has been identified as a problem. Nevertheless, the general economic outlook for 2003 and beyond is favorable, buoyed by increasing foreign investment and domestic consumption.<sup>62</sup> In November 2002, Slovak President Schuster predicted that NATO membership would help spur increased investments. In Athens on April 16, 2003, Slovakia, along with nine other countries, signed the accession agreement with the European Union.

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<sup>60</sup> [http://europa.eu.int/comm/enlargement/report2002/sk\\_en.pdf](http://europa.eu.int/comm/enlargement/report2002/sk_en.pdf)

<sup>61</sup> Republican Staff Report to Senators Helms and Biden on NATO Enlargement. U.S. Senate. Senate Foreign Relations Committee. August 30, 2002. p. 7.

<sup>62</sup> Economic data are from: Indicators–Slovakia. *Reuters*. April 3, 2003. Slovakia: Outlook Summary. *DRI/WEFA*. April 16, 2003. Country Report Slovakia, April 2003 Updater. *Economist Intelligence Unit*. April 1, 2003.

## Foreign Policy and Defense Factors

Since 1998, the Dzurinda government has endeavored to catch up to the other Visegrad countries in integrating into western institutions. Slovakia was among the first countries to sign up for NATO's PFP program in 1994, and has since participated in numerous PFP exercises. Slovakia is a member of the OSCE, the Council of Europe, and the WTO. In December 2000, Slovakia also joined the OECD. Slovakia consults regularly with its "Visegrad" partners (Poland, Hungary, and the Czech Republic) as well as the "Vilnius" group of ten countries seeking membership in NATO. Slovakia started accession talks with the EU later than Hungary, Poland, and the Czech Republic, but has since caught up to many of the frontrunners. In December 2001, the EU announced that ten countries, including Slovakia, would likely be able to conclude negotiations by the end of 2002, and join the union by 2004.

NATO chose not to invite Slovakia to join NATO at the 1997 Madrid summit. Some NATO governments doubted Meciar's commitment to democratic norms. Moreover, the Meciar government (particularly the two extremist coalition partners to the HzDS) was seen to be ambivalent about membership in NATO. In contrast, the Dzurinda government's program explicitly gave priority to attaining membership in NATO. Over the last few years, public opinion polls have demonstrated tepid (less than 50%) support for Slovakia's entry into NATO, but 2002 saw a steady increase of those in support of membership in NATO. More recent polls, however, have shown NATO backing down in the 40% range, likely because of questions over the war with Iraq; NATO Secretary General Robertson expressed disappointment with the drop in support among Slovaks.<sup>63</sup> Meciar's HzDS party has also come out in favor of NATO membership. In assessing Slovakia's candidacy, the North Atlantic Council reportedly focused almost exclusively on Slovakia's democratic development and prospects for political continuity after the 2002 elections.<sup>64</sup> In addition, a recent poll showed that nearly 80% of Slovaks support EU membership.

In support of the U.S.-led campaign to fight terrorism in Afghanistan, Slovakia offered use of its airspace to U.S. and other allied aircraft in the framework of *Operation Enduring Freedom*. Along with other members of the Vilnius Group and the Central European Initiative, Slovakia pledged full cooperation in the fight against terrorism. Slovakia deployed a 40-member army engineering unit to Afghanistan in support of *Operation Enduring Freedom*. More recently, Slovakia has backed U.S. policy toward Iraq. In addition to providing overflight rights, Slovakia, together with the Czech Republic, sent a contingent of anti-chemical weapons specialists to Kuwait.<sup>65</sup> On the issue of approving a U.S. exemption from the International Criminal Court, Slovakia has decided not to take an official position until after the United States and the European Union have come to a final agreement.

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<sup>63</sup> Slovak news agency TASR. March 4, 2003. *RFE/RL Newsline*. March 9, 2003.

<sup>64</sup> Narodna Obroda in FBIS-EEU, March 23, 2002.

<sup>65</sup> Bratislava and Washington reportedly are discussing possible U.S. assistance in covering some of the costs of Slovakia's deployment. *Radio Free Europe/Radio Liberty*, February 26, 2003.

**The Armed Forces.** Since 1998, the Dzurinda government has given priority to reforming, restructuring, and developing the Slovak armed forces, ultimately to become fully compatible with NATO. The Army of the Slovak Republic enjoys consistently high public approval ratings. The Slovak armed forces have been downsizing steadily, moving toward a smaller, more flexible, and less top-heavy force. In 2002, the Slovak armed forces numbered about 26,200 troops, including 10,400 conscripts; 13,000 served in the army and 10,200 in the air force. The government also has nearly 4,700 paramilitary troops serving in internal security and civil defense capacities. Current reform and restructuring plans call for the Slovak armed forces to reduce its personnel strength to 24,500 land force, air force, and civilian personnel by 2006. The term of conscription is currently nine months, but may be reduced to six months by 2003. Compulsory military service is to be phased out as the army becomes fully professional by 2006. After several years of decline, defense spending has increased in the last few years. Slovakia's defense budget in 2002 was \$370 million—1.89% of GDP—most of which was designated for operations and support. In comparison, Hungary spent 1.8% of GDP for defense in 2001, while the Czech Republic spent 2.2%, and Poland 1.8%. Spending in 2002 should rise to approximately \$450 million (19.9 billion *koruna*). The newly-appointed defense minister, Ivan Simko, has announced that he would seek to raise military spending to 2% of GDP in 2003.

The Dzurinda government has adopted numerous armed forces reform programs that have subsequently been adapted to take into account feedback from the annual MAP process and a U.S. defense assessment from 2000.<sup>66</sup> In early 2000, the armed forces general staff was integrated into the defense ministry. In 2001, former Defense Minister Josef Stank appointed a state secretary for NATO integration and developed plans for further changes and reforms in the ministry. In early 2001, parliament approved a constitutional amendment to facilitate joining collective defense alliances. Later, the government adopted and parliament approved legislation on a national security strategy, a defense strategy, and a military strategy, which give explicit form to Slovakia's strategic outlook and national security requirements. Also in 2001, the government prepared a long-term defense review and planning process for the structure and development of the armed forces. The process resulted in a long-term reform plan referred to as Slovak Republic (SR) Force 2010, which aims to establish by the year 2010 a small, well-equipped and trained armed force that is integrated into NATO military structures and capable of operating in allied military operations. SR Force 2010 calls for a streamlined force structure comprised of ground and air forces, a consolidated training and support element, and streamlined command and control through the integrated general staff and defense ministry. Funding priorities are to be focused on improving readiness and modernizing equipment and infrastructure.<sup>67</sup>

Slovakia's military reform programs call for the gradual modernization of armed forces equipment to enhance interoperability and standardization. Slovakia expects in the coming years to replace its aging Soviet-era fighter aircraft (Mig-29s) with

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<sup>66</sup> See: testimony of Dr. Janusz Bugajski before the U.S. Senate Foreign Relations Committee, April 3, 2003.

<sup>67</sup> Slovak Ministry of Defense document, discussed at NATO in February 2002.



western-made fighter jets, although funding for such acquisitions has not yet been approved. The government has decided to postpone issuing tenders for an estimated 18 fighter aircraft until after the NATO Prague summit, but plans to issue tenders for other modernization needs including communications systems, anti-aircraft defense systems, and combat helicopter upgrades and maintenance. In November, it was reported that the Slovaks were reviewing a Czech proposal to establish a joint air defense unit. Slovakia is training special units in alpine combat, reconnaissance, and engineering. Defense Minister Simko recently indicated that he intends to place more emphasis on the development of special forces.

Slovakia has participated in and hosted numerous NATO Partnership for Peace training exercises designed to improve the armed forces' interoperability with NATO. Slovakia has participated in several completed international operations in the Balkans, including the U.N. operations in Bosnia and Croatia (UNPROFOR and UNTAES) and the humanitarian mission in Albania (AFOR). Currently, Slovakia contributes a 40-member Slovak engineering unit to the NATO-led Kosovo Force (KFOR). Eight Slovak Army officers serve with the command headquarters of the NATO-led Stabilization Force (SFOR) in Bosnia. In contrast, Poland, Hungary, and the Czech Republic contributed larger, battalion-sized contingents to the NATO operations in the Balkans from their inception (although some of these contingents have since been drawn down). Outside of the Balkans, however, Slovakia has contributed to many peacekeeping operations, with more than 600 members of the Slovak armed forces currently serving in international missions around the world. Slovakia is also training an immediate reaction battalion for future use by NATO.

**Civilian Oversight.** Under the Slovak constitution, the President is supreme commander of the armed forces and is able to declare a state of emergency in the republic. After a one and one-half year vacancy in the presidency, President Schuster was directly elected to the presidency in June 1999. As in Poland, Hungary, and the Czech Republic, mechanisms for civilian control of the military and parliamentary oversight in Slovakia have been codified in various laws on national security, defense strategy, and the armed forces, and in subsequent amendments to these laws. The Slovak parliament considers all defense-related acts and provides financial support for the armed services. The parliament has been active and engaged in developing and shaping defense policy.<sup>68</sup> Civilian control was enhanced with the integration of the armed forces general staff into the defense ministry in 2000. The establishment of a new legal framework for national security issues and strategy and the role of the armed forces has been a priority under the MAP process. In response, parliament passed by wide voting margins three major pieces of legislation in 2001 relating to national security, defense, and the armed forces. In May 2001, parliament passed a law on the protection of classified information, which created an independent state authority, the National Security Office; the office is operational, but underfunded. In January 2003, *Jane's Defense Digest* reported that the Slovak Intelligence Service (SIS) had been conducting various illegal activities. The allegations were sharply denied by SIS director Vladimir Mitro<sup>69</sup>

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<sup>68</sup> Simon, *ibid.*, p. 311.

<sup>69</sup> *RFE/RL Newsline*. January 16, 2003.

## Slovenia <sup>70</sup>

### Most Recent Developments

*Slovenia's 2001 defense spending was 78.1 billion tolar, or \$304 million, about 1.5% of Slovenia's GDP. It plans to gradually increase its spending until it reaches 2% of GDP in 2008. In January 2003, Slovenia deployed a motorized infantry company of over 100 men to participate in the NATO-led peacekeeping force in Bosnia. On March 23, 2003, Slovenia held a referendum on joining NATO. Voters approved membership by a margin of 66% in favor to 34% opposed.*

*In March 2003, Slovenia rejected a U.S. request for its forces to transit Slovenia on the way to a deployment to Iraq, unless the U.N. Security Council endorsed military action against Baghdad. Slovene officials said that Slovenia was not part of the "coalition of the willing" to disarm Iraq. However, Slovenia has allowed its airspace to be used to the transit of humanitarian cargos to Iraq.*

### Political and Economic Factors

Slovenia has a democratic political system. The 2001 State Department Human Rights Report says that Slovenia is a parliamentary democracy that has held "free, fair and open elections" since winning independence from Yugoslavia in 1991. The report says that Slovenia has an independent judiciary. It adds that the government "respects the human rights of its citizens" and that minorities "are generally treated fairly in practice as well as in law." This positive assessment of Slovenia's political system is similar to the report's discussion of the democratic political systems of Poland, Hungary and the Czech Republic. The European Commission's October 2002 report on Slovenia's progress toward EU accession noted that Slovenia had met the EU's political criteria for membership, which include a democratic political system, the rule of law, respect for human rights and for the rights of minorities.

Slovenia has made strong progress toward a market economy. In its October 2002 report on Slovenia's progress toward EU membership, the European Commission deemed Slovenia to have a "functioning market economy." Slovenia completed membership talks at the end of 2002 and is expected to formally join the EU in 2004. An August 2002 Senate Foreign Relations Committee Republican staff report said that Slovenia's political and economic status made it an "attractive" candidate to join NATO.

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<sup>70</sup> Sources include: Slovenian Embassy materials on Slovenia's armed forces; the 2001 State Department human rights report; the European Commission's "Regular Report on Progress toward Accession – Slovenia," October 7, 2002, and U.S., European and Slovene press reports.

On March 23, 2003, Slovenia held a referendum on joining NATO. Voters approved membership by a margin of 66% in favor to 34% opposed.

## Foreign Policy and Defense Factors

The United States and NATO have encouraged candidate states to join or participate where possible in a range of international institutions as a means to build stability. Like Poland, Hungary and the Czech Republic, Slovenia is a member of the OSCE, the Council of Europe, NATO's PFP and EAPC, the WTO, the IMF and the World Bank. Slovenia is a member of the Central European Free Trade Area and the U.S.-sponsored Southeast European Cooperative Initiative. It participates in the Stability Pact for Southeastern Europe. With the support and some funding from the United States, Slovenia has set up an International Trust Fund for Demining and Mine Victims Assistance, which operates throughout the Balkans. Slovenia and the United States have jointly funded a mine clearance training program in Afghanistan.

After gaining independence from Yugoslavia in 1991, Slovenia had some difficulties with two of its neighbors, Italy and Croatia. In the case of Italy, the negotiation of an EU-Slovenia association treaty (the first step toward membership) was held up over a dispute over the property of about 27,000 Italians who left either voluntarily or by force after World War II when the region in which they lived became part of the republic of Slovenia within Communist Yugoslavia. Italy wanted Slovenia to allow these Italians the right to reclaim their former property or at least have the same right as Slovenian citizens to purchase their former property. Slovenia rejected the Italian demands, saying that the issue was settled by the 1975 Treaty of Osimo, under which Yugoslavia paid compensation to the Italian refugees.<sup>71</sup> However, tensions over the issue have eased in recent years. With Italy's support, the EU and Slovenia signed an association agreement in June 1996, after Slovenia's parliament agreed to allow foreigners to own real estate in Slovenia within four years of the coming into force of the association agreement. The Berlusconi government has privately raised the issue of Italian claims, and has tempered its support for Slovenian membership in NATO and the EU.

Slovenia's relationship with Croatia has been somewhat clouded by disputes arising from the breakup of Yugoslavia, including the exact demarcation of the Slovenian-Croatian border, particularly the sea border in Piran Bay. Slovenia noted that the way the sea border was drawn blocked Slovenia's direct access to the open sea, and wanted to modify the border to rectify the situation. The two sides signed a border agreement in July 2001. Observers believe that Slovenia (like Poland, Hungary and the Czech Republic) has made progress in improving relations with its neighbors, and has demonstrated good faith in attempts to resolve outstanding issues.

A possible weakness in Slovenia's qualifications for NATO membership is that, given the small size of its population (just under 2 million), Slovenia may never be able to contribute as much to the collective defense capability of NATO as larger countries such as Poland, Hungary and the Czech Republic. On the other hand,

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<sup>71</sup> Slovenia, as one of the successor states to Yugoslavia, made the last payment under the Treaty of Osimo in January 2002.

Slovenia's armed forces may be able to make a modest contribution to future NATO peacekeeping efforts, similar to that of smaller current NATO members. A possible strength in Slovenia's candidacy is that it would provide a strategic land link between current NATO members Italy and Hungary.

**The Armed Forces.** Slovenia's armed forces are engaged in a reform and restructuring effort. At the time of Slovenia's declaration of independence in June 1991, Slovenia's armed forces consisted of territorial defense forces, somewhat similar in nature to U.S. National Guard units. In 2002, Slovenia decided to move rapidly toward wholly professional armed forces. In April, Slovenia decided to abolish conscription by 2004 and stepped up efforts to recruit professional soldiers. The peacetime strength of Slovenia's armed forces in August 2002 was 5,346 men. This number is expected to rise to 6,300 troops by the end of 2004 and 7,900 by 2008, all of whom will be professional soldiers. It is also working on a concept for volunteer reserve forces. Total wartime strength, including reserves, will be less than 18,000 men. An important part of Slovenian army reform efforts has been the creation of "reaction forces." These are composed of two battalions which can be deployed abroad within 30 days to conduct combat or peacekeeping operations.

Slovenia inherited a significant amount of former Yugoslav weaponry, much of which is obsolete, including tanks, APCs and artillery. Aside from equipping the peacekeeping battalion, other procurement priorities for Slovenia are air defense, anti-armor weapons and NATO-compatible communications systems. In 2000, U.S. military experts noted that Slovenia needed to better relate its procurement priorities to the country's overall national security strategy. In response, Slovenia has adopted a hierarchy of documents to govern its defense planning. These include a new national security strategy, a national threat assessment, a long-term development plan for the armed forces, a document on force structure, and other documents. Slovenia has amended its Defense Law in order to make it easier for the Slovene government to send Slovene forces out of the country to assist an ally and permit the stationing of allied forces on Slovene territory.<sup>72</sup>

Although it plans to continue to make equipment purchases, Slovenia does not plan to undertake major increases in such spending over the next few years, but will focus on maintenance of current stocks. The armed forces of Poland, Hungary and the Czech Republic are much larger than those of Slovenia. All three countries have much larger weapons stocks than Slovenia, although many weapons are obsolete Soviet-era arms that will gradually be replaced by Western equipment.

Slovenia's 2001 defense spending was 66.7 billion tolar, or \$274.5 million, about 1.46% of Slovenia's GDP. Slovenia's defense spending in 2002 amounted to about 1.5% of GDP. Slovenia plans to increase defense spending by 0.1% of GDP each year until it reaches 2% of GDP by 2008. For the sake of comparison, in 2001 Hungary spent an estimated 1.8% of GDP for defense, while the Czech Republic spent 2.2% and Poland 1.8%. During a February 2002 visit to Slovenia, U.S. Ambassador to NATO R. Nicholas Burns said he discussed with Slovene officials the fact that Slovenia, unlike most other NATO candidate states, is not spending 2%

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<sup>72</sup> Discussions with Slovene officials.

of its GDP on defense. He added that the 2% figure was a “goal,” but “not a MAP standard at all.”<sup>73</sup> However, NATO officials have been privately sharply critical of Slovenia’s reluctance to dedicate more resources to defense spending.<sup>74</sup> Burns publicly praised Slovenia’s defense reform efforts during testimony before the Senate Foreign Relations Committee on April 1, 2003. He said Slovenia could serve as a leader in the Balkans, given its “model democracy and strong economy,” and could also provide specialized military capabilities in such areas as demining and mountain warfare training.

An August 2002 Senate Foreign Relations Committee Republican staff report expressed concern that Slovenia may not meet its pledge to increase defense spending to 2% of GDP by 2008, and that Slovenia continues to have problems in properly prioritizing its military spending. The report said the Slovenia has made progress in moving from a militia-based force to a professional one, but needs to continue its efforts.<sup>75</sup>

Slovenian officials say they are working hard to increase interoperability with NATO within the Partnership for Peace (PFP) program. Slovenia participates in the NATO/PFP Planning and Review Process (PARP). Slovenia has adopted Partnership Goals (PGs), aimed at increasing its ability to participate in future operations with NATO. Slovenia is providing 46 military police to SFOR, as well as a 12-person medical unit and a 18-person helicopter unit. International officials in Bosnia have given Slovene policemen high marks for their skill in settling local disputes. In addition, Slovenia deployed a motorized infantry company of about 100 men to SFOR in January 2003.

While Slovenia has made progress in achieving interoperability with NATO, observers believe that it may currently lag somewhat behind Poland, Hungary and the Czech Republic, which, as part of NATO’s “first wave” of enlargement, necessarily had to move further sooner than Slovenia. As of January 2002, Poland contributed 570 men to KFOR. Hungary has contributed 350 troops, and the Czech Republic 200. In addition, Poland has contributed 280 men to SFOR, Hungary 130 men, and the Czech Republic 20. Slovenia has also provided logistic support to NATO peacekeeping forces in the Balkans by making available its port of Koper.

The Slovene government points to its willingness to substitute for U.S. troops in the Balkans as part of its proposed military contribution to the U.S.-led anti-terrorist coalition. It also notes that it provides security for U.S. forces using Koper. It has stated its willingness to provide intelligence help and the use of Slovene airspace, if necessary, in the war on terror. Slovenia has offered rifles, mortars and ammunition to equip three battalions of the nascent Afghan army.

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<sup>73</sup> Transcript of Ambassador Burns’s news conference in Ljubljana, Slovenia, February 28, 2002, State Department website [<http://info.state.gov>].

<sup>74</sup> CRS discussions with officials at NATO.

<sup>75</sup> Republican Staff Report to Senators Helms and Biden on NATO Enlargement, U.S. Senate, Senate Foreign Relations Committee, August 30, 2002, 7-8.

**Oversight of the Military and of Intelligence Agencies.** As in Poland, Hungary and the Czech Republic, legal mechanisms exist to guarantee civilian control of Slovenia's military and intelligence services. According to the Slovenian constitution, the National Assembly approves the defense budget and conducts oversight of military and intelligence programs. The Slovenian defense minister, a civilian, exercises control over the development and organization of the armed forces through the General Staff. The President of the Republic is commander-in-chief of the armed forces, and appoints top military officers. These mechanisms are similar to those in Poland, Hungary and the Czech Republic.

## Conclusion

It is possible to draw a few general conclusions from this survey of the qualifications of the seven aspirant states invited in November 2002 to join NATO. First, all of the aspirant countries are less capable militarily than Poland, Hungary and the Czech Republic. Some countries (Romania, Bulgaria, and to some extent Slovakia) have inherited old Soviet-era military structures and equipment, while others started from scratch. Like Poland, Hungary and the Czech Republic, they continue to face the challenge of downsizing equipment and personnel while restructuring their forces to fit their new strategic situation. Countries starting from scratch (the Baltic states and Slovenia) have struggled to recruit sufficient numbers of qualified personnel and to acquire a coherent mix of military equipment. One advantage enjoyed by the current group of aspirants is that the MAP process has helped them to clarify the issues of military reform more quickly than was the case with Poland, Hungary and the Czech Republic.

All of the aspirants are constrained by small military budgets, which compete with vital domestic spending priorities. Most of the candidates are capable of making at least modest contributions to NATO's peacekeeping functions. Indeed, all have contributed troops to NATO-led peacekeeping missions in Kosovo and Bosnia. None of the candidate countries are at present not able to contribute substantially to NATO's collective defense, although all are attempting to create rapid reaction forces of company size or larger to deploy abroad to fight alongside NATO troops. However, these countries still face difficulties in sustaining these forces themselves and in having enough troops to rotate them into and out of these deployments.

In February 2002, Gen. Joseph Ralston, former Supreme Allied Commander in Europe, stressed that the effort to fully integrate new members into NATO is a long-term process. He said that the United States had estimated before the first round of enlargement that it would take ten years for Poland, Hungary and the Czech Republic to be fully integrated into the Alliance, but that assessment has proved to be optimistic. In some areas, such as major weapons acquisitions and the creation of a non-commissioned officer corps, he added, a generation may be needed. It can be expected that new members from the current group of aspirants would face similar if not greater challenges.<sup>76</sup> Realizing that the aspirant countries do not have the

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<sup>76</sup> Jeffrey Simon, "Roadmap to NATO Accession," INSS Special Report, October 2001 and (continued...)

resources to bring all of their forces up to NATO standards right away, U.S. and NATO officials have urged the aspirants to more rapidly develop capabilities in specialized areas (such as air defense radars, minesweeping, defense against weapons of mass destruction, special force, military medics, and others) that are currently in short supply in the alliance, and which would be particularly useful for “out-of-area” missions.

Supporters of enlargement also believe that these countries’ membership in the European Union and NATO will contribute to stability and the growth of democracy in these countries and the region as a whole. Many of the aspirants are comparable to Poland, Hungary and the Czech Republic in meeting the political requirements of enlargement.

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<sup>76</sup> (...continued)

testimony of Gen. Ralston before the Senate Armed Services Committee, February 28, 2002.